DIRECTORS' REPORT

To,
The Members
GSPL India Transco Limited

Your Directors have pleasure in presenting the 10th Annual Report together with the Audited Financial Statements, Reports of the Statutory Auditors and Comptroller & Auditor General of India for the year ended on 31st March, 2021.

FINANCIALS

Rs. in Lacs

Particulars	2020-21	2019-20
Total Income	4525.36	1523.20
Total Expenses	13700.97	7716.16
Profit /(Loss) Before Tax	(9175.61)	(6192.96)
Tax including Deferred Tax	(2666.18)	(1870.62)
Profit /(Loss) After Tax	(6509.43)	(4322.34)
Other Comprehensive Income	13.31	(32.32)
Transfer to Reserves	(6496.12)	(4354.66)

Financials as per Ind-AS

SHARE CAPITAL

During the year under review, the Company has allotted 9,00,00,000 equity shares of Rs. 10 each aggregating to Rs. 90 Crores on rights basis to meet fund requirement of Project. The shareholding of the Company as on 31st March, 2021 is as follows:

Sr. No.	Name of the Shareholder	No. of shares	% holding
1	Gujarat State Petronet Limited	30,26,40,000	52
2	Indian Oil Corporation Limited	15,13,20,000	26
3	Bharat Petroleum Corporation Limited	6,40,20,000	11
4	Hindustan Petroleum Corporation Limited	6,40,20,000	11
	Total	**58,20,00,000**	**100**

FIXED DEPOSITS

The Company has not accepted/ invited any Fixed Deposits during the year.

DIVIDEND

Since no distributable profit is available, the Board of Directors does not recommend any dividend for the year under review.

OPERATIONS & PROJECT STATUS

Your Company was incorporated as a Special Purpose Vehicle for implementing the Mallavaram- Bhopal -Bhilwara - Vijaipur Pipeline Project (MBBVPL). The total length of the pipeline is approximately 1881 Kms. The pipeline will traverse through the State of Andhra Pradesh, Telangana, Maharashtra, Madhya Pradesh, Rajasthan and Gujarat.

Laying of pipeline requires various approvals, clearances, permissions etc. from multiple authorities including ROU, Environment clearance, wildlife & forest clearances, permissions from other authorities etc. There have been inordinate delays in receiving these statutory approvals/ permissions by the Company. Almost all of these permissions have been obtained by the Company, but the same have been received progressively. Accordingly, keeping in view the progress achieved in obtaining various statutory clearances and available gas demand, the Company has awarded EPC Contract for Pipeline and Associated facilities from Kunchanapalle Dispatch Terminal, Andhra Pradesh to Ramagundam Fertilizers & Chemicals Limited's (RFCL) Plant at Ramagundam, Telangana. The map showing the section implemented is enclosed herewith as **Annexure -I**. The said section was commissioned on 14th October, 2019 and the gas transportation to RFCL has started w.e.f. 1st November, 2019. During FY 2020-21, the Company has transported approx. 88.18 MMSCM of gas and has earned revenue of Rs. 12.09 Crores (excluding taxes) through transportation of gas as the tariff is lower in initial years of operations.

Regarding implementation of balance section, the Company has requested Government of India to provide necessary financial/non-financial support for implementing the balance section to address the issue of commercial viability owing to very low gas demand. In this regard, meetings were held at various level including the Ministry of Petroleum & Natural Gas, Government of India & PNGRB wherein the development of balance MBBVPL Project was deliberated. Government of India has emphasized on importance of MBBVPL Project for development of National Gas Grid which will catalyze gas demand in future and facilitate creation of gas based economy. As per the said discussions and decisions taken by Government of India, joint venture partners will explore equity restructuring / other modalities for development of balance MBBVPL and appropriate decision in this regard will be taken after consensus from all Promoters.

DIRECTORS & KEY MANAGERIAL PERSONNEL

The Company has appointed Shri Debasish Nanda, Shri Prakash Karnik and Shri Kani Amudhan N as an Additional Directors w.e.f. 7th January, 2021, 2nd June, 2021 and 29th July, 2021 respectively on the Board of the Company since the last Report. They will hold office upto the date of ensuing Annual General Meeting as per provisions of Section 161 of Companies Act 2013 and the Articles of Association of the Company. It is proposed to regularize their appointment at the ensuing Annual General Meeting.

Pursuant to provisions of Section 152 of the Companies Act, 2013, Shri J S Prasad will retire by rotation and being eligible, have offered himself for re-appointment.

For your perusal, a brief resume of the Directors being appointed / re-appointed and other relevant details are given in the Notice convening the Annual General Meeting. The Board of Directors recommends their appointment / re-appointment for approval of the shareholders of the Company.

The following Directors have resigned pursuant to change in nomination by concerned Promoter Company:

Name	Date of resignation
Shri Nitin Patil	10th September, 2020
Shri P K Yadav	30th November, 2020
Shri N Bose Babu	13th May, 2021
Shri Mahesh Narain	30th June, 2021

The Board places on record its appreciation for the services rendered by them during their tenure as Directors on the Board of Company.

Shri Prakash Karnik, has been appointed as Incharge Chief Executive Officer of the Company w.e.f. 15th May, 2021 vice Shri N Bose Babu. Shri Pravin Amin and Shri Nilesh Patel have been appointed as Chief Financial Officer and Company Secretary respectively.

INDEPENDENT DIRECTORS

Dr. Sudhir Kumar Jain has been appointed as an Independent Director on the Board of the Company w.e.f. 13th November, 2019 for a term of 3 years i.e. upto 12th November, 2022 as per the provisions of Section 149 and 152 of the Companies Act, 2013. Dr. Jain has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

Smt. Shridevi Shukla has been appointed as Woman Independent Director on the Board of the Company w.e.f. 8th June, 2020 for a term of 3 years i.e. upto 7th June 2023 as per the provisions of Section 149 and 152 of the Companies Act, 2013. Smt. Shridevi Shukla has given a declaration that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

Based on the disclosures and declarations received from Independent Directors, the Board is of the opinion that they possess requisite experience & expertise.

BOARD MEETINGS

During the financial year, the Board met four (4) times. The details of the Meetings are as follows:

Sr. No.	**Particulars**	**Date of Meeting**
1	40th Board Meeting	22nd May, 2020
2	41st Board Meeting	29th September, 2020
3	42nd Board Meeting	7th January 2021
4	43rd Board Meeting	26th March, 2021

The attendance of each Director at the Board Meetings held during the FY 2020-21:

Name	**Number of Meetings held during the tenure**	**Number of Meetings attended**
Shri Anil Mukim, IAS	4	4
Shri Sanjeev Kumar, IAS	4	4
Shri Nitin Patil (Upto 10th September, 2020)	2	2
Shri N Bose Babu	4	3
Shri P K Yadav (Upto 30th November, 2020)	2	2
Shri Mahesh Narain	4	4
Shri J S Prasad	4	3
Shri S K Sur Chowdhury (Upto 27th July, 2020)	1	1
Shri Debasish Nanda (from 7th January, 2021)	2	2
Shri M K Sharma (from 4th August, 2020)	3	3
Dr. Sudhir Kumar Jain	4	4
Smt. Shridevi Shukla (from 8th June 2020)	3	3

STATUTORY & CAG AUDIT

Your Company being a Government Company, the Statutory Auditor is appointed by the Comptroller & Auditor General of India (C&AG). Accordingly, C&AG has appointed M/s. Ashok Chhajed & Associates, Chartered Accountants as Statutory Auditors of the Company for the Financial Year 2020-21.

The Statutory Auditors have carried the Statutory Audit and have issued the Audit Report for FY 2020-21. The said report does not contain any qualification or adverse remark.

C&AG has given NIL Comment Report for the year ended on 31st March, 2021. The NIL Comment Report is enclosed herewith as **Annexure - II**

INTERNAL AUDIT & FINANCIAL CONTROLS

The Company has appointed M/s. Manubhai & Shah LLP, Chartered Accountants as Internal Auditors for the Financial Year 2020-21. The observations and recommendations of the Internal Auditors are reported to the management for appropriate action on the same.

The Company has adequate internal financial controls commensurate with its size, scale and operations of the Company.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 read with Rules made there under, the Company has appointed M/s. R V Gandhi & Co., Practicing Company Secretary as Secretarial Auditor for the Financial Year 2020-21. The Report on Secretarial Audit carried out is annexed herewith as **Annexure III**. The said Report does not contain any observation or adverse remarks.

AUDIT COMMITTEE

As mentioned above, the Company being a joint venture is exempted from the requirement of constituting Audit Committee. However, the Company has voluntarily constituted the Audit Committee and present constitution of the Committee is as follows:

Shri Anil Mukim, IAS	Chairman
Shri Debasish Nanda	Member
Shri Prakash Karnik	Member
Dr. Sudhir Kumar Jain	Member
Smt Shridevi Shukla	Member

During the financial year, the Audit Committee met three (3) times. The details of these Meetings are as follows:

Sr. No.	Particulars	Date of Meeting
1	20th Audit Committee	22nd May, 2020
2	21st Audit Committee	29th September, 2020
3	22nd Audit Committee	7th January, 2021

The attendance of each Director at the Audit Committee Meetings held during the FY 2020-21:

Name	Number of Meetings held during the tenure	Number of Meetings attended
Shri Anil Mukim , IAS	3	3
Shri P K Yadav (upto 30th November, 2020)	2	2
Shri Nitin Patil (upto 10th September 2020)	1	1
Shri N Bose Babu (from 29th September, 2020)	1	1
Dr. Sudhir Kumar Jain	3	3
Smt. Shridevi Shukla (from 8th June 2020)	2	2

The Audit Committee of Directors of the Company at its Meeting held on 2nd June, 2021 approved the Annual Accounts for the year ended on 31st March, 2021 and recommended the same for approval of the Board.

NOMINATION AND REMUNERATION COMMITTEE

As mentioned above, the Company being a joint venture is exempted from the requirement of constituting Nomination and Remuneration Committee. However, the Company has voluntarily constituted the Nomination & Remuneration Committee and present constitution of the Committee is as follows:

Shri Prakash Karnik	Chairman
Dr. Sudhir Kumar Jain	Member
Smt Shridevi Shukla	Member

Ministry of Corporate Affairs has vide notification dated 5th June, 2015 exempted government companies from disclosing company's policy on appointment & remuneration of Directors and other matters provided under sub-section (3) of Section 178 of the Companies Act, 2013. Your Company being a Government Company is exempted from disclosing the said particulars in Directors' Report.

VIGIL MECHANISM

The Company has established a mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of employees who use such mechanism, and allows direct access to the chairperson of the Audit Committee in exceptional cases. The same is available on the website www.gspcgroup.com/GITL.

BOARD EVALUATION

The Company being a joint venture company promoted by government companies viz. GSPL, IOCL, BPCL and HPCL, Directors on the Board are nominated by Promoters in terms of Articles of Association and Joint Venture Agreement.

The Board has carried out the performance evaluation of the individual Directors, the Board as a whole and the statutory Committee(s) of Directors based on the criteria for the evaluation of the performance stipulated in the Policy. The Directors were satisfied with the evaluation result.

QUALITY, HEALTH, SAFETY & ENVIRONMENT

The advancement of new technology creates fresh challenges in pursuit of better quality and the organizations that are able to meet these challenges will sustain for long. It is the quality management system based on the principles Plan, Do, Check and Act for an organization dependent on customers satisfaction, continuous improvement and "prevention is better than cure".

Post commissioning, the company is in the process of upgrading QHSE Management System as per latest ISO standards i.e. ISO 9001:2015 for Quality Management System (QMS), ISO 14001:2015 for Environmental Management System (EMS) and ISO 45001:2018 for Occupational Health and Safety Management System (OHSAS). System documents are already prepared in line with ISO standards and awareness sessions regarding the implementation of IMS have been organized for the employees.

Your Company firmly believes in demonstrating excellence in Quality, Health, Safety and Environment and has framed a Quality Policy highlighting the commitment to implement QMS and ensuring safety of all personnel working under our control and promote harmony with Environment. As a responsible Corporate, Your Company endeavors to keep its employees fully aware of HSE aspects through extensive awareness and training.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors hereby confirm that,

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2021 and of the loss of the company for that period;

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the Directors had prepared the annual accounts on a going concern basis; and

(e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RISK MANAGEMENT

Risks associated with the business of the Company, if any, are brought to the notice of Board from time to time and deliberations are held to avoid / mitigate such risks. The Board will develop a Risk Management Policy of the Company in future considering the Project requirements.

RELATED PARTY TRANSACTIONS

All related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. The Audit Committee has granted omnibus approval for related party transactions and the details of all the transactions entered into with related parties are placed before the Audit Committee for its review. During the year under review, there were no contracts/

arrangements/ transactions with related parties requiring disclosure in Form AOC – 2 of the Companies (Accounts) Rules, 2014. However, your attention is drawn to Note No. 35 of the Financial Statements regarding the disclosure of the Related Party Transactions.

PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS UNDER SECTION 186

During the year, your Company has not provided any loans, guarantees or investments to any person or body corporate.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Internal Complaints Committee has been constituted at GSPC group level for investigating complaints regarding sexual harassment. During the year 2020-21, no complaint of sexual harassment was received by the Company.

COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

ANNUAL RETURN

Pursuant to the provisions of the Companies Act, 2013, the Annual Return of the Company in Form MGT -7 is placed on the website of the company at http://gspcgroup.com/GITL/annual-reports

DEMATERIALIZATION OF EQUITY SHARES

Equity shares of the Company can be dealt in dematerialised form by all shareholders. For this purpose, the Company has established connectivity with National Securities Depository Limited (NSDL) for dematerialization of equity shares. Demat security (ISIN) code for the equity shares is **INE02GP01010**.

Registrar & Share Transfer Agent (RTA)

The Company has appointed Registrar & Transfer Agent to facilitate the connectivity between the Company and Depository. Contact details of RTA are as follows:

NSDL Database Management Limited
4th Floor, Trade World A Wing, Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai – 400 013
Phone: 022 4914 2700 / 022-2499 4200
Email: info_ndml@nsdl.co.in

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

No significant or material order has been passed by any Regulator/ Court or Tribunal impacting the going concern status and Company's operations in future.

PARTICULARS OF EMPLOYEES

The Company being a government company is exempted from disclosing the remuneration and other particulars of employees prescribed under the provisions of Section 197 of the Companies Act, 2013 read with Rules made there under.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNIGNS AND OUTGO

CONSERVATION OF ENERGY: NIL
TECHNOLOGY ABSORPTION: NIL

FOREIGN EXCHANGE EARNINGS & OUTGO FOR THE YEAR:

Foreign Exchange earnings - Nil
Foreign Exchange Outgo – Nil

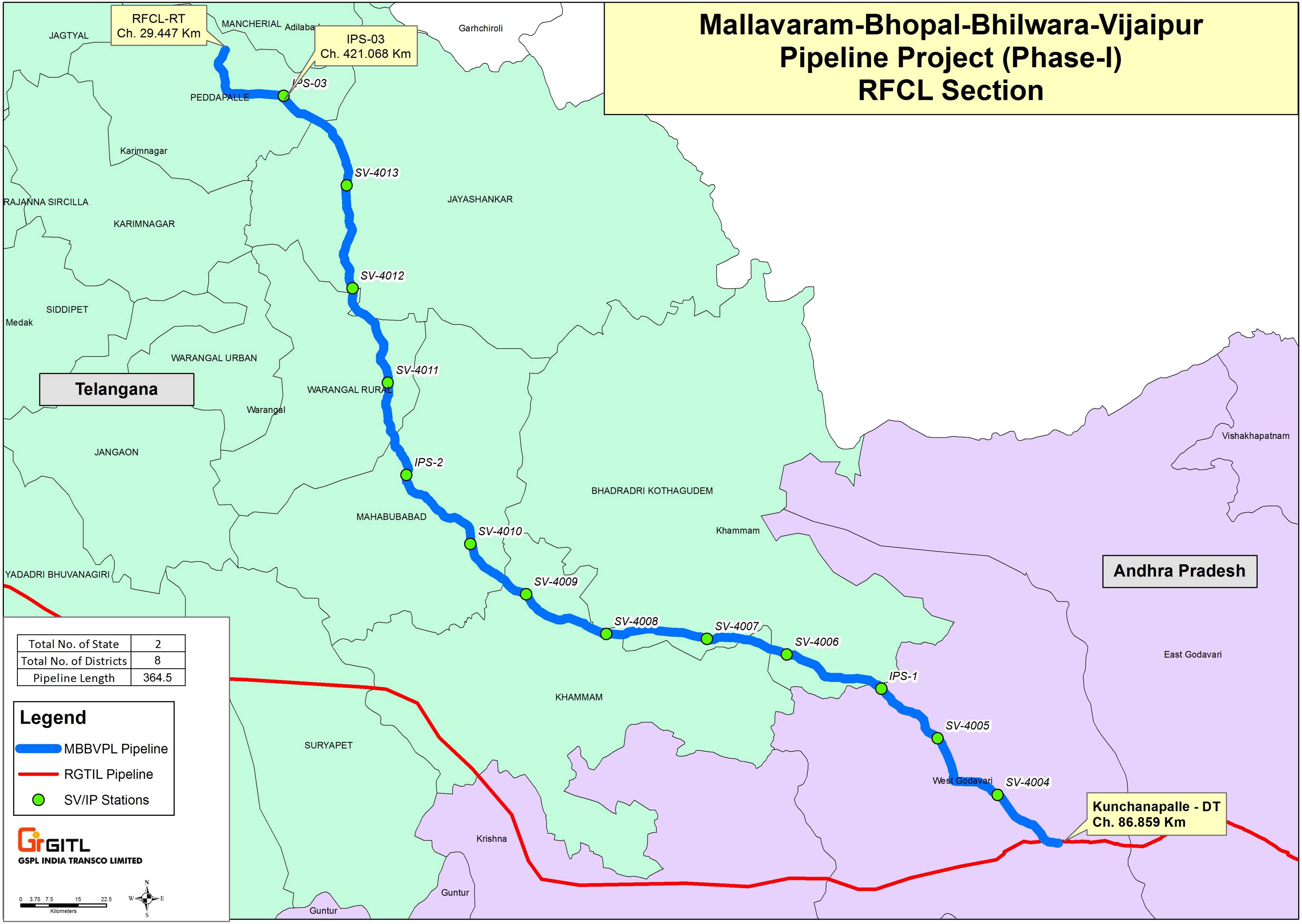
ACKNOWLEDGEMENTS

Your Directors are pleased to place on record their appreciation for the continued guidance and support received from the Promoters viz. Gujarat State Petronet Limited, Indian Oil Corporation Limited, Bharat Petroleum Corporation Limited, and Hindustan Petroleum Corporation Limited, Petroleum & Natural Gas Regulatory Board, Government of India & State Governments, Banks and Customers.

Your Company also place on record sincere appreciation for hard work, dedicated and unstinted efforts of employees at all levels in implementing the Project.

For and on behalf of Board of Directors,

Anil Mukim, IAS
Chairman
DIN: 02842064
Date: 27/08/**2021**
Place: Gandhinagar


Mallavaram-Bhopal-Bhilwara-Vijaipur
Pipeline Project (Phase-I)
RFCL Section
RFCL-RT
Ch. 29.447 Km
IPS-03
Ch. 421.068 Km
Kunchanapalle - DT
Ch. 86.859 Km
IPS-03
SV-4013
SV-4012
SV-4011
IPS-2
SV-4010
SV-4009
SV-4008
SV-4007
SV-4006
IPS-1
SV-4005
SV-4004
Telangana
Andhra Pradesh
JAGTYAL
MANCHERIAL
Garhchiroli
PEDDAPALLE
Karimnagar
RAJANNA SIRCILLA
KARIMNAGAR
JAYASHANKAR
SIDDIPET
Medak
WARANGAL URBAN
WARANGAL RURAL
Warangal
JANGAON
MAHABUBABAD
BHADRADRI KOTHAGUDEM
Khammam
YADADRI BHUVANAGIRI
Vishakhapatnam
East Godavari
KHAMMAM
SURYAPET
West Godavari
Krishna
Guntur
Total No. of State 2
Total No. of Districts 8
Pipeline Length 364.5
Legend
MBBVPL Pipeline
RGTIL Pipeline
SV/IP Stations
GITL
GSPL INDIA TRANSCO LIMITED
0 3.75 7.5 15 22.5
Kilometers
N
S
E
W

Confidential
By Regd. Post

सत्यमेव जयते

भारतीय लेखापरीक्षा एवं लेखा विभाग
कार्यालय प्रधान महालेखाकार (लेखापरीक्षा-II) गुजरात
INDIAN AUDIT & ACCOUNTS DEPARTMENT
Office of the Principal Accountant General (Audit-II), Gujarat

No. AMG-III,Hq-II/A/cs/ GITL/2020-21/ow 372
08.07.2021

सेवा में,

प्रबंधक निदेशक

जी.एस.पी.एल. इंडिया ट्रांस्को लिमिटेड

जी.एस.पी.एल. भवन, प्लाट न.E-18,

सेक्टर-26, गांधीनगर-382028.

Sub:- Comment of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the financial statements **GSPL India Transco Limited** for the year ended 31 March 2021.

Sir,

Please find enclosed nil comment certificate of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the financial statements **GSPL India Transco Limited** for the year ended 31 March 2021 for being placed before the Annual General Meeting of the Company.

Under Section 143(6) of the Companies Act, 2013 the comments of the Comptroller and Auditor General of India are required to be sent by the Company to every person entitled to copies of audited financial statements under Section 136(1) of the Company Act, 2013 and also to be placed before the Annual General Meeting of the Company at the same time and in the same manner as the Statutory Auditors' Report of the Company. The date of placing the Report of the Comptroller and Auditor General of India before the Annual General Meeting may please be intimated to this office.

Six copies of the printed accounts may please be sent to this office for our use and record.

Receipt of this letter with its enclosures may please be acknowledged.

भवदीय,

उप महालेखाकार (ए.एम.जी.3)

Encl: As above

लेखापरीक्षा भवन, नवरंगपुरा, अहमदाबाद – 380 009. Audit Bhavan, Navrangpura, Ahmedabad-380009.
फोन / Phone : 079-26403713, 26561327, 26405874, 26561282, 26560892, 26473888
फेक्स / Fax : 079-26561853 E-mail : pagau2gujarat@cag.gov.in

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF GSPL INDIA TRANSCO LIMITED FOR THE YEAR ENDED 31 MARCH 2021

The preparation of financial statements of **GSPL India Transco Limited** for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 02 June 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **GSPL India Transco Limited** for the year ended 31 March 2021 under Section 143 (6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under Section 143 (6)(b) of the Act.

For and on behalf of the
Comptroller and Auditor General of India

8/7/21

(H. K. Dharmadarshi)
Principal Accountant General (Audit-II), Gujarat
Place: Ahmedabad
Date:

R. V. GANDHI & Co.,

Practicing Company Secretary

C/3, 204, Anushruti Tower, Nr. Muktidham Jain Derasar,

Thaltej Cross Road, S. G. Highway, Ahmedabad – 380 054.

Mobile : 99792 60360. Phone (O) : 079-2688 2215.

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
GSPL India Transco Limited
GSPC Bhavan, B/h UdyogBhavan
Sector-11, Gandhinagar-382 011

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GSPL India Transco Limited.** The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on **31st March, 2021** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there-under;

R. V. GANDHI & CO.
FCS-6807
C.P. No. 7120
AHMEDABAD
COMPANY SECRETARIES

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under complied with by the Company voluntarily during the period under review.

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings are not applicable to the Company during the period under review.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') *are not applicable* to the Company during the period under review.

(i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(iv) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(v) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(vi) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(vii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

I further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

(i) Petroleum and Natural Gas Regulatory Board Act, 2006 and rules and regulations made there under.

GANDHI & CO. FCS-6807 C.P. No. 7120 AHMEDABAD COMPANY SECRETARIES

(ii) Petroleum and Minerals Pipelines (Acquisition of Right of User Inland) Act, 1962

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Company being unlisted is not required to comply with the Listing Agreements of Stock Exchange(s)/ SEBI (LODR) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors as on 31.03.2021. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance& in case of shorter notice required compliance as per Companies Act, 2013 has been ensured.

Generally, all decisions at the Board and Committee meetings are carried out unanimously as recorded in the minutes of the meeting of the Board of Directors and Committee of the Board as the case may be.

We further report that

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that

During the audit period the Company has

(i) allotted 3,90,00,000 Equity Shares of Rs. 10 each aggregating to Rs.39 Crores by passing the Board Resolution dated 08.10.2020 to the existing shareholders under right issue.

(ii) allotted 1,10,00,000 Equity Shares of Rs. 10 each aggregating to Rs.11 Crores by passing the Board Resolution dated 30.01.2021 to the existing shareholders under right issue.

(iii) allotted 4,00,00,000 Equity Shares of Rs. 10 each aggregating to Rs.40 Crores by passing the Board Resolution dated 26.03.2021 to the existing shareholders under right issue.

R. V. GANDHI & CO. FCS-6807 C.P No. 7120 AHMEDABAD COMPANY SECRETARIES

For R. V. Gandhi &Co.

(Rashmikant V. Gandhi)
Company Secretaries
FCS No.6807COP No.7120
UDIN: F006807C000411871

Date: 02/06/2021.
Place: Ahmedabad

(This report is to be read with our letter of even date which is annexed as ***Annexure A(Page5)*** ***and*** *forms an integral part of this report.)*

R. V. GANDHI & Co.,

Practicing Company Secretary
C/3, 204, Anushruti Tower, Nr. Muktidham Jain Derasar,
Thaltej Cross Road, S. G. Highway, Ahmedabad – 380 054.
Mobile : 99792 60360. Phone (O) : 079-2688 2215.

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'Annexure A'

To,
The Members,
GSPL India Transco Limited
GSPC Bhavan, B/h UdyogBhavan
Sector-11, Gandhinagar-382 011

Our report of even date is to be read along with this letter.

1. *Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.*
2. *We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.*
3. *We have not verified the correctness and appropriateness of financial Statements of the company.*
4. *The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.*
5. *The Secretarial Audit report is not an assurance as to the future viability of the Company.*
6. *Due to Covid-19, the secretarial audit is carried out with limited review as physical verification of records was not possible.*

For R. V. Gandhi & Co.

GANDHI & CO. FCS-6807 C.P. No. 7120 AHMEDABAD COMPANY SECRETARIES

(Rashmikant V. Gandhi)
Company Secretaries
FCS No. 6807, COP No.7120

Date: 02/06/2021.
Place: Ahmedabad

GITL

GSPL INDIA TRANSCO LIMITED

Standalone Ind AS Financial Statements

2020-2021

ASHOK CHHAJED
& ASSOCIATES
CHARTERED ACCOUNTANTS
22, CITY CENTRE, C.G.ROAD,
NR, SWASTIK CHAR RASTA,
AHMEDABAD-380 009. (INDIA)
TEL. (OFFICE) : 26402929-30
TEL. (RESI) : 27492929-30
(Mobile) :- 9426492930
e-mail : ashok_chhajed@yahoo.co.in
ashokchhajedandassociates@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Members of GSPL INDIA TRANSCO Limited

Report on Standalone Ind AS Financial Statements

Opinion

We have audited the standalone financial statements of **GSPL INDIA TRANSCO Limited** ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss, (statement of changes in equity) and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit/loss (changes in equity) and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAS) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

ASHOK CHHAJED & ASSOCIATES
CHARTERED ACCOUNTANTS
M.NO 117743
AHMEDABAD

Emphasis of Matter:

We draw attention to note 39 [i] & 39 [ii] of the financial statements, which describes present status of the Project and efforts being taken up by Management for better prospects. Decisions of Regulatory Authority/ Government in future will have financial implications for the Company.

Our opinion is not modified in this matter.

Information Other than the Standalone Ind AS Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the Director's report, Corporate Governance report, Business Responsibility report and Management Discussion and Analysis of Annual report, but does not include the Standalone Ind AS Financial Statements and our report thereon. The Directors report, Corporate Governance report, Business Responsibility report and Management Discussion and Analysis of Annual report is expected to be made available to us after the date of this auditors' report. Our opinion on the Standalone Ind AS Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the Standalone Ind AS Financial Statements, our responsibility is to read the other information identified above when it becomes available to us and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS Financial Statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated. When we read such other information as and when made available to us and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair

CHARTERED ACCOUNTANTS AHMEDABAD

view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in

ASHOK CHHAJED & ASSOCIATES
CHARTERED ACCOUNTANTS
M.NO 117743
AHMEDABAD

our auditor's report to the related disclosures in the Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure - A** statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

ASHOK CHHAJED & ASSOCIATES CHARTERED ACCOUNTANTS M NO. 117143 AHMEDABAD

c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. It is conveyed to us that as per notification no 463 [E] of Ministry of Corporate Affairs dated 5.06.2015, section 164 [2] is not applicable to Government Company.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B".**

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements in Note 27 to the financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

3. As required by section 143 [5] of the Act, our observations are submitted in **Annexure C.**

For Ashok Chhajed & Associates
Chartered Accountants
FRN: 100641W

Partner
Naresh Bahroo
MN: 117743

CHAJED & ASSOCIATES
CHARTERED ACCOUNTANTS
M.NO. 117743
AHMEDABAD

Date: 02.06.2021
Place: Gandhinagar
UDIN: 21117743AAAAAY3425

Annexure A to the Auditors' Report of even date

The Annexure referred to in our report to the members of GSPL INDIA TRANSCO LIMITED on accounts of the Company for the year ended on 31st March, 2021.

On the basis of such checks as we considered appropriate and according to the information & explanation given to us during the course of our audit, we report that:

i. Fixed Assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As conveyed to us, in the last financial year the Company has successfully commissioned its Phase-1 pipeline and major assets were put to use as a part of activities which were carried out and the same have been considered as physical verification. These assets shall be next physically verified once in 3 years' period. Other fixed assets like IT & Admin have been physically verified by Management lastly on 31st March, 2021 and discrepancies, if any between the book records and the physical inventory have been dealt with appropriately in books of accounts in previous year.

(c) According to information and explanation given to us and on the basis of our examination of the records of the company, immovable properties shown in the balance sheet are in the name of the Company.

ii. In respect of its Inventories:

Company holds very negligible project inventory, hence balance of which is confirmed by concerned officials as on 31.03.2021.

iii. Loans & Advances:

The Company has not granted any loans, secured or unsecured to companies, firms limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause [iii] [a], [iii] [b] & [iii] [c] of paragraph 3 of "the Order" is not applicable to the Company.

iv. Loans, Investment & Guarantees:

CHARTERED ACCOUNTANTS M NO 117743 AHMEDABAD

According to information and explanation given to us, company has not given any loan or provided any guarantee to any person specified under section 185 of Companies Act, 2013.

Further, company has not made any investment nor given any loan or provided any guarantee to anybody corporate as specified under section 186 of Companies Act, 2013. Therefore, clause [iv] of paragraph 3 of "the order" is not applicable to the company.

v. Fixed Deposits:
According to the information and explanation given to us, the Company has not accepted any deposits thereof directive issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, clause [v] of paragraph 3 of "the Order" is not applicable to the Company.

vi. Cost Audit Records:
The Central Government has prescribed the maintenance of cost records under sub-section [1] of Section 148 of the Companies Act, 2013. Since in the Previous Year regulated turnover is less than 35 crores, clause [vi] of paragraph 3 of "the Order" is not applicable to the Company.

vii. Statutory dues:

a. The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, GST, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities;

b. According to the information and explanation given to us, there are no disputed amounts payable in respect of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax GST, cess etc as on 31.03.2021.

viii. Default in payment of dues:

In our opinion and according to information and explanation given to us, the company has not defaulted in repayment of Loans / Borrowings to Banks / Financial Institutions / Government etc.

ix. Fund raised by Public issue / follow on offer / term loan

The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or funds from term loans are used for the purposes for which they have been obtained.

x. Frauds:

To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. Managerial Remuneration:

In our opinion and according to the information and explanations given to us, Section 197 of the Companies Act is not applicable to the Company in accordance with Notification no GSR 463[e] dated 05.06.2015.

xii. Nidhi Company:

The Company is not a Nidhi Company and hence reporting is not applicable.

xiii. Transactions with related parties:

We have not come across any cases of violation of section 177 and 188 of Companies Act, 2013. Disclosures have been made in accordance with applicable Indian Accounting Standards.

xiv. Preferential allotment / Private placement of share / issue of debenture:

During the year, the Company has issued shares to promoters by complying with prevailing provisions and has used funds for the purposes it is obtained.

xv. Non-Cash transactions with Directors:

In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its Directors and hence provisions of Section 192 of the Act are not applicable.

xvi. NBFC Registration:

The Company is not required to be registered under Section 45-I of the Reserve Bank of India Act, 1934.

Place: Gandhinagar

Date: 02.06.2021

ASHOK CHHAJED & ASSOCIATES
CHARTERED ACCOUNTANTS
M.NO. 117743
AHMEDABAD

For, Ashok Chhajed & Associates
Chartered Accountants
FRN: 100641W

Naresh Bahroo
(Partner)
M. no.: 117743

"Annexure B" to the Independent Auditor's Report of even date

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("theAct")

We have audited the internal financial controls over financial reporting of GSPL INDIA TRANSCO LIMITED ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for laying down and maintaining internal financial controls based on the internal control over financial reporting criteria establishedby the Company considering the essential components of internalcontrol stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include thedesign, implementation and maintenance of adequate internalfinancial controls that were operating effectively for ensuring theorderly and efficient conduct of its business, including adherenceto company's policies, the safeguarding of its assets, theprevention and detection of frauds and errors, the accuracy andcompleteness of the accounting records, and the timelypreparation of reliable financial information, as required under theAct

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all materialrespects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud orerror.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

CHARTERED ACCOUNTANTS
M NO 117743
AHMEDABAD

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, on the basis of information provided to us, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2021.

Place: Gandhinagar

Date: 02.06.2021

ASHOK CHHAJED & ASSOCIATES
CHARTERED ACCOUNTANTS
M.NO 117743
AHMEDABAD

For Ashok Chhajed & Associates
Chartered Accountants
FRN: 100641W

Naresh Bahroo
(Partner)
M. no.: 117743

AS required by section 143 [5] of the Act, we report as under:

A. Report on directions under Section 143 [5] of Companies Act, 2013:

1. Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.

   Reply:

   We have not come across any material discrepancy in this regard.

   2. Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/internet etc. made by a lender to the Company due to the Company's inability to repay the loan? If yes, the financial impact may be stated.

   Reply:

   It is conveyed to us that there is no restructuring of any loan during the period covered under Audit hence not applicable.

   3. Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/ utilised as per its term and conditions? List the cases of deviation.

   Reply:

   It is conveyed to us that no funds have been received from Central / State Agencies hence not applicable.

B. Sector Specific Sub-direction under Section 143(5) of the Companies Act, 2013

Infrastructure Sector

1. Whether the Company has taken adequate measures to prevent encroachment of idle land owned by it. Whether any land of the Company is encroached, under litigation, not put to use or declared surplus? Details may be provided.

   Reply:

It is conveyed to us that; the company has done fencing of lands purchased for SV stations & IPS. Where ever encroachment is noticed necessary steps have been taken including litigation.

2. Whether the system in vogue for identification of projects to be taken up under Public Private Partnership is in line with the guidelines policies of the Government? Comment on deviation if any.

   Reply:

   No project is conveyed to have been taken up under Public Private Partnership hence not applicable.

3. Whether system for monitoring the execution of works vis-à-vis the milestones stipulated in the agreement is in existence and the impact of cost escalation, if any, revenues/losses from contracts, etc., have been properly accounted for in the books.

   Reply:

   We have not come across any discrepancy in this regard.

4. Whether funds received/ receivable for specific schemes from central State agencies were properly accounted for/utilized? List the cases of deviations.

   Reply:

   It is conveyed to us that no funds have been received from Central / State Agencies hence not applicable.

5. Whether the bank guarantees have been revalidated in time?

   Reply:

   We have not come across any discrepancy in this regard.

6. Comment on the confirmation of balances of trade receivables, trade payables, term deposits, bank accounts and cash obtained.

   Reply:

   Balance confirmations have been obtained in majority of the cases.

ASHOK CHHAJED & ASSOCIATES
CHARTERED ACCOUNTANTS
M NO 111743
AHMEDABAD

7. The cost incurred on abandoned projects may be quantified and the amount actually written-off shall be mentioned.

   Reply:

   It is conveyed to us that project is being implemented in Phased manner, Phase I is implemented and balance work is under review of Management and final decision related to continuation is pending.

Services Sector

1. Whether the Company's pricing policy absorbs all fixed and variable cost of production and the overheads allocated at the time of fixation of price?

   Reply:

   Prices are fixed at the time of Authorisation and accordingly revenue is collected. Hence not applicable.

2. Whether the Company recovers Commission for work executed on behalf of Government/ other organizations that is properly recorded in the books of accounts? Whether the Company has an efficient system for billing and collection of revenue.

   Reply:

   Company does not execute any work on behalf of Government / other organisations. Hence not applicable.

3. Whether the Company regularly monitors timely receipt of subsidy from Government and it is properly recording them in its books?

   Reply:

   Company is not in receipt of any subsidy hence not applicable.

4. Whether interest earned on parking of funds received for specific projects from Government was properly accounted for?

   Reply:

Company is not in receipt of funds from Government hence not applicable.

5. Whether the Company has entered into Memorandum of understanding with its Administrative Ministry, if so, whether the impact thereof has been properly dealt with in the financial statements.

   Reply:

   It is conveyed to us that the Company has not entered into Memorandum of understanding with its Administrative Ministry hence not applicable.

Trading:

Reply:

Company is not engaged in trading business hence following points are not applicable to the company.

1. Whether the Company has an effective system for recovery of dues in respect of its sales activities and the dues outstanding and recoveries there against have been properly recorded in the books of accounts?

2. Whether the company has effective system for physical verification, valuation of stock, treatment of non-moving items and accounting the effect of shortage/ excess noticed during physical verification.

3. The effectiveness of the system followed in recovery of dues in respect of sale activities may be examined and reported.

ASHOK KHAJED & ASSOCIATES
CHARTERED ACCOUNTANTS
M. NO. 117743
AHMEDABAD

GrGITL GSPL India Transco Limited

CIN: U40200GJ2011SGC067450

BALANCE SHEET AS AT 31ST MARCH, 2021

(₹ in Lacs)

Particulars	Notes	As at 31st March, 2021	As at 31st March, 2020
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	87,528.15	92,650.44
Capital Work-In-Progress	3	11,415.08	10,762.47
Intangible Assets	4	7,808.42	7,858.88
Financial Assets			
Loans	5	1,292.86	1,158.77
Other Financial Assets	6	103.01	219.09
Deferred Tax Assets (Net)	17	4,570.55	1,909.84
Other Non-Current Assets	7	693.63	256.17
Total Non-Current Assets		113,411.70	114,815.66
Current Assets			
Inventories	8	796.61	447.88
Financial Assets			
Trade Receivables	9	596.25	218.00
Cash and Cash Equivalents	10	15,325.27	3,011.72
Other Bank Balances	10	1,343.83	1,174.94
Loans	5	681.71	815.53
Other Financial Assets	6	278.22	33.01
Other Current Assets	7	229.08	727.95
Total Current Assets		19,250.97	6,429.03
Total Assets		132,662.67	121,244.69
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	11	58,200.00	49,200.00
Other Equity	12	(10,047.58)	(3,551.46)
Total Equity		48,152.42	45,648.54
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	13	68,964.95	54,560.73
Other Financial Liabilities	15	4.61	2,345.53
Net Employee Benefit Liabilities	16	506.69	493.25
Total Non-Current Liabilities		69,476.25	57,399.51
Current Liabilities			
Financial Liabilities			
Trade Payables	14		
Total outstanding dues of micro enterprises and small enterprises		24.74	139.46
Total outstanding dues of creditors other than micro enterprises and small enterprises		822.37	8,468.92
Other Financial Liabilities	15	13,711.42	9,171.33
Net Employee Benefit Liabilities	16	24.05	24.90
Other Current Liabilities	18	451.42	392.03
Total Current Liabilities		15,034.00	18,196.64
Total Liabilities		84,510.25	75,596.15
Total Equity and Liabilities		132,662.67	121,244.69
Significant Accounting Policies	2		

The accompanying notes are integral part of the Financial Statements.

As per our report of even date attached

For and on behalf of the Board of Directors,

For Ashok Chhajed & Associates
Chartered Accountants
Firm Registration No. 100641W

Naresh Bahroo
Partner
Membership No. 117743
Place: Gandhinagar
Date: 02.06.2021

Anil Mukim, IAS
Chairman
DIN: 02842064

Prakash Karnik
CEO & Director
DIN: 03192224

Pravin M Amin
Chief Financial Officer

Nilesh Patel
Company Secretary

Place: Gandhinagar
Date: 02.06.2021

ASHOK CHHAJED & ASSOCIATES CHARTERED ACCOUNTANTS M.NO. 117743 AHMEDABAD

GITL

GSPL India Transco Limited

CIN: U40200GJ2011SGC067450

STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED ON 31ST MARCH, 2021

(₹ in Lacs)

Particulars	Notes	2020-21	2019-20
INCOME			
Revenue From Operations	19	3,940.91	1,242.19
Other Income	20	584.45	281.01
Total Income (A)		4,525.36	1,523.20
EXPENSES			
Employee Benefit Expenses	21	1,189.86	707.07
Finance Costs	22	5,610.82	3,672.31
Depreciation and Amortisation Expenses	23	6,286.86	3,044.55
Other Expenses	24	613.43	292.23
Total Expenses (B)		13,700.97	7,716.16
Profit Before Tax (A-B)		(9,175.61)	(6,192.96)
Tax Expenses			
Current Tax	17	-	-
Deferred tax	17	(2,666.18)	(1,870.62)
Profit After Tax for the Period		(6,509.43)	(4,322.34)
Other Comprehensive Income			
Remeasurements of post-employment benefit obligations		18.78	(45.60)
Income tax relating to these items		(5.47)	13.28
Other Comprehensive Income for the Period, net of tax		13.31	(32.32)
Total Comprehensive Income for the Period		(6,496.12)	(4,354.66)
Earning per Equity Share (EPS) for Profit for the Period (Face Value of ₹ 10)	25		
Basic (₹)		(1.27)	(0.99)
Diluted (₹)		(1.27)	(0.99)
Significant Accounting Policies	2		

The accompanying notes are integral part of the Financial Statements.

As per our report of even date attached

For and on behalf of the Board of Directors,

For Ashok Chhajed & Associates
Chartered Accountants
Firm Registration No. 100641W

Naresh Bahroo
Partner
Membership No. 117743
Place: Gandhinagar
Date: 02.06.2021

Anil Mukim, IAS
Chairman
DIN: 02842064

Prakash Karnik
CEO & Director
DIN: 08192224

Pravin M Amin
Chief Financial Officer

Nilesh Patel
Company Secretary

Place: Gandhinagar
Date: 02.06.2021

ASHOK CHHAJED & ASSOCIATES
CHARTERED ACCOUNTANTS
M NO. 117743
AHMEDABAD

GSITL

GSPL India Transco Limited

CIN: U40200GJ2011SGC067450

STATEMENT OF CASH FLOW
FOR THE YEAR ENDED ON 31ST MARCH, 2021

(₹ in Lacs)

Particulars	2020-21	2019-20
Cash Flow from Operating Activities		
Profit before Taxes	(9,175.61)	(6,192.96)
Adjustments for:		
Interest & other income	(583.28)	(281.01)
Finance cost	5,610.82	3,672.31
Depreciation & Amortisation	6,286.86	3,044.55
Loss on sale / write off of assets	0.52	-
Employee benefit expense	64.53	(25.24)
Operating profit before working capital changes	2,203.84	217.65
Change in Working Capital		
(Increase)/Decrease in Other Assets	(27.03)	4,059.66
(Increase)/Decrease in Financials Assets	(245.81)	(244.72)
Increase/(Decrease) in Financials Liabilities	11.05	1.91
Increase/(Decrease) in Other Liabilities	59.39	(15.10)
Increase/(Decrease) in Employee benefit payables	12.59	111.60
(Increase)/Decrease in Inventories	(348.73)	(443.58)
(Increase)/Decrease in Trade receivables	(378.25)	(218.00)
Increase/ (Decrease) in Trade payables	(7,761.27)	8,608.38
Taxes (paid)/ refund	49.44	(68.98)
Net Cash Flow from Operating Activities (A)	(6,424.78)	12,008.82
Cash Flow from Investing Activities		
Interest Received	538.23	244.37
Other Income	39.65	22.14
Investment in Fixed Deposits	(51.95)	(921.13)
Acquisition of Property, Plant and Equipment and Change in CWIP	1,527.64	(34,179.61)
Net Cash Flow from Investing Activities (B)	2,053.57	(34,834.22)
Cash Flow from Financing Activities		
Proceeds from issue of Equity Share Capital	9,000.00	11,100.00
Proceeds from Term Loan from Banks	15,970.99	23,719.19
Repayment of Loan from Financial Institutions	-	(4,531.12)
Repayment of Term Loan from Banks	(713.00)	-
Interest & other charges paid	(5,301.78)	(4,422.79)
Payment of interest portion of lease liabilities	(296.18)	(197.49)
Payment of principal portion of lease liabilities	(1,975.27)	(1,096.88)
Net Cash Flow from Financing Activities (C)	16,684.76	24,570.91
Net Increase / (Decrease) in Cash and Cash Equivalents (A+ B+ C)	12,313.55	1,745.51
Cash and Cash Equivalents at the beginning of the period	3,011.72	1,266.21
Cash and Cash Equivalents at the end of the period	15,325.27	3,011.72
Notes to Statement of Cash Flows		
Cash and cash equivalent includes-		
Cash and Cheques on Hand	0.02	0.02
Balances with Scheduled Banks		
In Current Accounts	497.03	2,411.55
In Deposit Accounts	14,828.22	600.15
	15,325.27	3,011.72

As per our report of even date attached

For and on behalf of the Board of Directors,

For Ashok Chhajed & Associates
Chartered Accountants
Firm Registration No. 100641W

Naresh Bahroo
Partner
Membership No. 117743
Place: Gandhinagar
Date: 02·06·2021

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ASHOK CHHAJED & ASSOCIATES CHARTERED ACCOUNTANTS M NO 117743 AHMEDABAD

GITL

GSPL India Transco Limited

CIN: U40200GJ2011SGC067450

STATEMENT OF CHANGES IN EQUITY (SOCIE) FOR THE PERIOD ENDED ON 31ST MARCH, 2021

A. Equity Share Capital

Particulars	Number of Shares	Amount ₹ in Lacs
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
Equity shares of ₹ 10/- each fully paid up		
As at 1 April 2019	381,000,000	38,100.00
Add: New shares allotted during the year	111,000,000	11,100.00
As at 31 March 2020	492,000,000	49,200.00
Add: New shares allotted during the year	90,000,000	9,000.00
As at 31 March 2021	582,000,000	58,200.00

B. Other Equity

(₹ in Lacs)

Particulars	Reserves & Surplus	Total Other Equity
	Retained earnings	
Balance at April 1, 2019	803.20	803.20
Profit for the year	(4,322.34)	(4,322.34)
Remeasurement of post employment benefit obligation, net of tax	(32.32)	(32.32)
Total comprehensive income for the year	(4,354.66)	(4,354.66)
Balance at March 31, 2020	(3,551.46)	(3,551.46)
Profit for the year	(6,509.43)	(6,509.43)
Remeasurement of post employment benefit obligation, net of tax	13.31	13.31
Total comprehensive income for the year	(6,496.12)	(6,496.12)
Balance at 31 March, 2021	(10,047.58)	(10,047.58)

As per our report of even date attached

For and on behalf of the Board of Directors,

For Ashok Chhajed & Associates
Chartered Accountants
Firm Registration No. 100641W

Naresh Bahroo
Partner
Membership No. 117743
Place: Gandhinagar
Date: 02.06.2021

Anil Mukim, IAS
Chairman
DIN: 02842064

Pravin M Amin
Chief Financial Officer

Prakash Karnik
CEO & Director
DIN: 09192224

Nilesh Patel
Company Secretary

Place: Gandhinagar
Date: 02.06.2021

GSPL INDIA TRANSCO LIMITED

ASHOK CHHAJED & ASSOCIATES CHARTERED ACCOUNTANTS M.NO. 117743 AHMEDABAD

1. **Corporate information**

GSPL India Transco Limited ('the Company') was incorporated on 13th October, 2011 under the Companies Act, 1956 as a subsidiary of Gujarat State Petronet Limited (GSPL). On 30th April, 2012, a joint venture agreement was executed between Gujarat State Petronet Limited (GSPL), Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL). The shareholding pattern is GSPL (52%), IOCL (26%), BPCL (11%) and HPCL (11%). The Registered Office of the Company is situated at GSPC Bhavan, B/H Udyog Bhavan, Sector 11, Gandhinagar, Gujarat - 382011. The Company is primarily engaged in transmission of natural gas through pipeline from supply points to demand centres. The Company is also developing a natural gas pipeline for transmission of natural gas from Mallavaram in Andhra Pradesh to Bhilwara in Rajasthan. The Company has commissioned first phase of pipeline of 363 Km starting from Kunchanapalli in Andhra Pradesh to Ramagundam in Telangana on 14th October, 2019.

Authorization of financial statements

The Financial Statements were approved and authorized for issue in accordance with a resolution passed in meeting of Board of the Directors held on 02nd June, 2021.

2. **Significant Accounting Policies**

(a) **Basis of preparation**

The Financial Statements are prepared in accordance with and comply in all material aspects Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant Provisions of Companies Act, 2013 and Rules there under as amended from time to time.

The financial statements are prepared on accrual basis of accounting under historical cost convention except for certain financial assets and liabilities measured at fair value.

The preparation and presentation of the financial statements requires the management to make estimates, judgments and assumptions that affect the amount reported in the financial statements and notes thereto. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below:

- Useful lives of property, plant and equipment, right of use assets and intangible assets
- Measurement of Defined Benefit Obligations and actuarial assumptions

ASHOK CHHAJED & ASSOCIATES CHARTERED ACCOUNTANTS M.NO. 117743 AHMEDABAD
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- Provisions and contingencies
- Provision for expected credit losses
- Current tax and deferred tax asset / liabilities (including uncertain tax treatment)
- Identification of investment properties
- Identification of performance obligations under contract with customers
- Timing of revenue recognition based on when the performance obligations are satisfied under contracts with customers
- Determination of lease term
- Definition of lease
- Discount rate to determine the lease liability
- Impact of COID-19 (Pandemic)

All values are rounded to the nearest rupees in Lacs, except where otherwise indicated.

ASHOK CHHAJED & ASSOCIATES
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M NO 117743
AHMEDABAD

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(b) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost (net of recoverable taxes), less accumulated depreciation and accumulated impairment losses, if any. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. The cost of an Property, Plant and Equipment comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and borrowing costs for assets that necessarily take a substantial period of time to get ready for their intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Interest received on mobilisation advance given to the vendor being linked with the construction activity, is considered as directly attributable to the assets yet to be commissioned. Accordingly, the same is adjusted with the Capital Work-in-progress (CWIP). Revenue expenses exclusively attributable to projects incurred during construction period are capitalized.

Any item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is charged to revenue in the Statement of Profit and Loss when the asset is derecognised.

Capital Work-in-progress (CWIP) includes expenditure that is directly attributable to the acquisition/construction of assets, which are yet to be commissioned, and project inventory.

On transition to Ind AS, the Company had elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(c) Intangible assets

Intangible assets acquired are measured on initial recognition at cost. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets like software, licenses, Right-of-Use of land (ROU) and Right of Way (ROW) permissions which are expected to provide future enduring economic benefits are capitalized as Intangible Assets.

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Any item of intangible assets is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the intangible asset (calculated as the difference between the net disposal proceeds and the carrying amount of the intangible asset) is charged to revenue in the Statement of Profit and Loss when the intangible asset is derecognised.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

(d) Investment properties

Investment properties comprise land or buildings or part thereof (owned or taken on lease i.e. right of use asset) that are held for rental or for capital appreciation or both. An Investment property generates cash flow largely independently of the other assets held by the Company.

Property used in production or supply of goods or services and also held to earn rentals / capital appreciation is accounted separately as investment property only if portion of property held to earn rental / capital appreciation can be sold separately (or leased out separately under a finance lease). If the portions could not be sold separately, the property is investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Further property with provision of ancillary services to the occupants is treated as investment property if the services are insignificant to the arrangement as a whole. Investment property shall be recognised as an asset when and only when: (a) it is probable that the future economic benefits that are associated with the investment property will flow to the entity; and (b) the cost of the investment property can be measured reliably.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed as and when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

(e) Depreciation and Amortisation

Depreciation on gas transmission pipeline(s) is provided on straight line method (SLM) over estimated useful life as prescribed in Schedule II to Companies Act, 2013. Depreciation on other items of property, plant and equipment is provided on written down value method (WDV) as per useful life prescribed in Schedule II to the Companies Act, 2013.

The residual values are not more than 5% of the original cost of the item of property, plant and equipment. Further, in case of the Pipeline Network assets, the residual value is considered to be NIL as the said assets are technically and commercially not feasible to extract from underground.

Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal. An item of property, plant and equipment costing up to ₹ 5000/- are depreciated fully in the year of purchase / capitalisation.

The right-of-use asset (recognised under Ind AS 116 Leases) is depreciated using the straight-line method from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right of Use in land is a right acquired under law and the Company has unrestricted right of entry for laying, operation and maintenance of the pipeline for indefinite period. Accordingly, RoU is considered to have an indefinite life and not amortised; however, the same is tested for impairment annually. Moreover, Right of Way (ROW) is amortised over 30 years on straight line method starting from the date of commissioning of the respective pipeline as the same is inextricably linked and dependent on useful life of gas transmission pipeline(s). Further, software is amortised at 40% on written down value method.

(f) Leases

The Company assess whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether (i) the contract involves the use of identified asset; (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Company has right to direct the use of the asset.

As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Certain lease arrangement includes the options to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities includes these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

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GSPL INDIA TRANSCO LIMITED GITL GANDHINAGAR

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option. For plant and machinery taken on lease, the Company has elected a practical expedient not to separate lease and non-lease component.

The lease liability is subsequently remeasured at amortised cost by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' (under respective class of the assets) and lease liabilities in 'other financial liabilities' in the Balance Sheet. Lease payments have been classified as financing activities.

Short-term leases and leases of low-value assets:
The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of less than or equal to 12 months with no purchase option and assets with low value leases. The Company recognises the lease payments associated with these leases as an expense in the Statement of Profit and Loss over the lease term. The related cash flows are classified as operating activities.

As a lessor
Finance lease

Leases for which the Company is a lessor is classified as finance or operating leases. When the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

All assets given on finance lease are shown as receivables at an amount equal to net investment in the lease. Principal component of the lease receipts is adjusted against outstanding receivables and interest income is accounted by applying the interest rate implicit in the lease to the net investment.

The Company has a scheme of providing certain assets viz. mobiles, laptops, vehicles to their employees. Under the said scheme, the Company initially purchases the asset which is transferred to an employee after a specified period at book value on that date. As this arrangement has element of finance lease, the Company has derecognised the items of PPE given to employees & reclassified it as finance lease. The difference between the cost of the asset and present value (or absolute value if the present value is not material) of the consideration to be received from the employee over the lease term and at the time of transfer of ownership in the future is recognised as an employee cost over the period.

Operating lease

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term.

(g) Borrowing costs

The Company capitalises borrowing costs that are directly attributable to the acquisition or construction of qualifying assets. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. For borrowing cost capitalisation, the capital cost of a particular project is identified against a borrowing in terms of period of construction and the borrowing cost for the relevant period is added to the capital cost till the particular project is capitalised and thereafter the borrowing cost is charged to the statement of profit and loss. All other borrowing costs are recognized as expense in the period in which they are incurred and charged to the statement of profit and loss.

(h) Revenue recognition

Revenue from contracts with customers is recognised when control of the services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. The Company assesses promises in the contract that are separate performance obligations to which a portion of transaction price is then allocated.

Revenue is measured based on the transaction price as specified in the contract with the customer. It excludes taxes or other amounts collected from customers in its capacity as an agent.

In determining the transaction price, the Company estimates the variable consideration to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The Company generally acts as principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The Company recognises revenue from each distinct good or service over time if the customer simultaneously receives and consumes the benefits provided by the Company's performance as it performs.

Revenue from transmission of gas through pipeline is recognized over the period in which the related services are performed. Customers are billed on fortnightly basis. Non-refundable upfront charges for initial gas connection collected from the customers is deferred over the period of contract with respective customers.

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

All other revenues are recognised when it can be reliably measured, and it is reasonable to expect ultimate collection. Interest income is recognised using effective interest rate (EIR) method.

ASHOK CHHAJED & ASSOCIATES CHARTERED ACCOUNTANTS M.NO. 117743 AHMEDABAD

GSPL INDIA TRANSCO LIMITED GrGITL GANDHINAGAR

(i) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

A financial asset is recognised in the balance sheet when the Company becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset at its fair value plus or minus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Subsequent measurement

For purpose of subsequent measurement, financial assets are classified into:

A. Financial assets measured at amortised cost;
B. Financial assets measured at fair value through other comprehensive income (FVTOCI); and
C. Financial assets measured at fair value through profit or loss (FVTPL).

The Company classifies its financial assets in the above-mentioned categories based on:

1. The Company's business model for managing the financial assets, and
2. The contractual cash flows characteristics of the financial asset.

Financial assets measured at amortised cost:

A financial asset is measured at amortised cost if both of the following conditions are met:

(i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
(ii) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables, bank balance, deposits etc.

Financial assets measured at fair value through other comprehensive income (FVTOCI):

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

(i) The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets and
(ii) The asset's contractual cash flows represent SPPI.

Financial assets measured at fair value through profit or loss (FVTPL):
A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

De-recognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

A. The contractual rights to the cash flows from the financial asset have expired, or
B. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
    (i) The Company has transferred substantially all the risks and rewards of the asset, or
    (ii) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets
In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(i) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.
(ii) Trade receivables or other financial assets that result from transactions that are within the scope of Ind AS 115
(iii) Lease receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Financial Liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities measured at fair value through profit or loss (such as derivative items) and financial liabilities measured at amortised cost (such as loans and borrowings) as appropriate.

ASHOK CHHAJED & ASSOCIATES CHARTERED ACCOUNTANTS M.NO. 117743 AHMEDABAD

GSPL INDIA TRANSCO LIMITED GANDHINAGAR

All financial liabilities are recognised initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liability includes loans & borrowings, lease liabilities as well as trade and other payables.

Loan and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses on EIR amortisation and derecognition are recognised in profit or loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

As per the principles of Ind AS 109, fees paid and related payments on the establishment of loan facilities are recognised as transaction costs of loan to the extent it is probable that some or all of the loan facility will be drawn down. The said facility fee is deferred and treated as a transaction cost when draw-down occurs; it is not amortised prior to the draw-down.

This category generally applies to interest-bearing loans and borrowings.

Trade and other payables

These amounts represent liability for goods and services provided to the Company prior to the end of financial year which are unpaid. Other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Non-Current other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest (EIR) method.

Lease Liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when, and only when, there is a legally enforceable right to offset the recognised amount and there is intention either to settle on net basis or to realise the assets and to settle the liabilities simultaneously.

(j) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss is charged to the statement of profit and loss in the year in which an asset or CGU is identified as impaired.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(k) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) In the principal market for the asset or liability, or
(ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

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The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(l) Inventory

Inventories including stock of stores, spares, consumables and line pack gas not meant for sale in ordinary course of business are valued at weighted moving average cost.

(m) Employee benefits

Short term employee benefits

Short Term Employee Benefits are accounted for in the period during which the services have been rendered.

Post-employment benefits and Other long-term employee benefits

Liability towards post-employment defined employee benefits such as gratuity is determined on actuarial valuation by independent actuaries at the year-end by using Projected Unit Credit method. Actuarial gains/losses arising on such defined benefit plans are recognised in Other Comprehensive Income (OCI). The Company is in the process of creating fund for Gratuity for employees. The Company pays for Defined Contribution Plan such as provident fund and super annuation; and the Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expenses in the year in which contributions to respective funds accrue. Liability towards other long-term employee benefits such as leave encashment is determined on actuarial valuation by independent actuaries at the year-end by using Projected Unit Credit method and corresponding impact is recognised as employee benefit expenses.

Employee benefits expenses including actuarial gain and losses arising on defined benefit plans are transferred to Capital Work in Progress (CWIP) till start-up of commercial operation.

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(n) Foreign currency transactions

The Company's presentation and functional currency is INR (Indian Rupees). Transactions denominated in foreign currencies are initially recorded at the exchange rate prevailing at the time of transaction. Monetary assets and liabilities denominated in foreign currencies at year-end are reported at exchange rate prevailing on the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates prevailing at the time of the initial transactions. Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

(o) Taxation

Current Tax

The current income tax charge is calculated on the basis of the Income Tax Laws enacted or substantively enacted at the end of the reporting period.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred taxes

Deferred tax is provided in full on temporary difference arising between the tax bases of the assets and liabilities and their carrying amounts in financial statements, deferred tax amounts of income taxes recoverable in future periods in respect of deductible temporary differences, the carry forward of unused tax losses and the carry forward of unused tax credits.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses, and unused tax credits only if it is probable that future taxable amounts will be available to utilise those temporary differences, losses, and credits.

Any tax credit available such as MAT Credit Entitlement is recognised as deferred tax to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised. The said asset is created by way of credit to the statement of profit and loss and shown under the head deferred tax asset.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The carrying amount of deferred tax assets is reviewed at each reporting date. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

(p) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

(q) Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed by way of notes to accounts in the case of:

- A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- A present obligation arising from the past events, when no reliable estimate is possible;
- A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Contingent liabilities are not recognized in the financial statements but are disclosed by way of notes to accounts unless the possibility of an outflow of economic resources is considered remote.

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Contingent assets are not recognized in financial statements. However, the same is disclosed, where an inflow of economic benefit is probable.

(r) Segment Reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM.

The Board of Directors (BoD) of the Company assesses the financial performance and position of the Company and makes strategic decisions; hence the Board of Directors are CODM. Refer note 34 for segment information.

(s) Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with a remaining maturity at the date of purchase of three months or less and which are subject to an insignificant risk of changes in value.

(t) Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(u) Events occurring after the Reporting Date

Adjusting events (that provides evidence of condition that existed at the balance sheet date) occurring after the balance sheet date are recognized in the financial statements. Material non adjusting events (that are inductive of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represents material change and commitment affecting the financial position are disclosed in financial statements.

(v) Prepaid expense and prior period expense/income up to Rs. 5,00,000/- in each case charged to relevant head of account of current period.

(w) Recent accounting pronouncement

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of consolidated financial statements.

The amendments are extensive, and the Company will evaluate the same to give effect to them as required by law.

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3 PROPERTY, PLANT AND EQUIPMENT

Property, plant & equipment as at 31st March, 2020 (₹ In Lacs)

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	Cost As on 1-Apr-19	Additions/ Adjustments during the year	Deduction/ Adjustments during the year	Balance As on 31-Mar-20	Balance As on 1-Apr-19	Additions during the year*	Deduction during the year	Balance As on 31-Mar-20	As on 31-Mar-20	As on 31-Mar-19
Land- Free Hold	3,294.40	-	-	3,294.40	-	-	-	-	3,294.40	3,294.40
Land- Lease Hold	2.77	95.98	-	98.75	0.32	1.67	-	1.99	96.76	-
Building	183.63	3,958.37	-	4,142.00	145.77	234.57	-	380.34	3,761.66	37.86
Plant & equipment	-	86,033.86	-	86,033.86	-	2,535.24	-	2,535.24	83,498.62	-
Furniture & Fittings	2.60	2.30	-	4.90	1.85	0.21	-	2.06	2.84	0.75
Computers	12.59	63.13	-	75.72	8.23	15.20	-	23.43	52.29	4.36
Communication equipment	-	492.90	-	492.90	-	41.55	-	41.55	451.35	-
Office Equipments	5.33	-	-	5.33	3.28	0.95	-	4.23	1.10	2.05
Electrical Installation & Equipment	0.42	1,694.24	-	1,694.66	0.29	204.22	-	204.51	1,490.15	0.13
Vehicles	8.34	-	-	8.34	6.49	0.58	-	7.07	1.27	1.85
Total Property, Plant and Equipment	3,510.08	92,340.78	-	95,850.86	166.23	3,034.19	-	3,200.42	92,650.44	3,341.40
Capital Work In Progress									10,762.47	64,402.82

Property, plant & equipment as at 31st March, 2021 (₹ In Lacs)

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	Cost As on 1-Apr-20	Additions/ Adjustments during the year	Deduction/ Adjustments during the year	Balance As on 31-Mar-21	Balance As on 1-Apr-20	Additions during the year*	Deduction during the year	Balance As on 31-Mar-21	As on 31-Mar-21	As on 31-Mar-20
Land- Free Hold	3,294.40	8.75	-	3,303.15	-	-	-	-	3,303.15	3,294.40
Land- Lease Hold	98.75	4.55	-	103.30	1.99	3.34	-	5.33	97.97	96.76
Building	4,142.00	37.70	44.29	4,135.41	380.34	398.18	-	778.52	3,356.89	3,761.66
Plant & equipment	86,033.86	1,247.65	187.95	87,093.56	2,535.24	5,293.17	-	7,828.41	79,265.15	83,498.62
Furniture & Fittings	4.90	-	-	4.90	2.06	0.73	-	2.79	2.11	2.84
Computers	75.72	1.03	2.33	74.42	23.43	24.07	1.83	45.67	28.75	52.29
Communication equipment	492.90	-	-	492.90	41.55	81.84	-	123.39	369.51	451.35
Office Equipments	5.33	-	0.06	5.27	4.23	0.46	0.05	4.64	0.63	1.10
Electrical Installation & Equipment	1,694.66	-	-	1,694.66	204.51	387.03	-	591.54	1,103.12	1,490.15
Vehicles	8.34	-	-	8.34	7.07	0.40	-	7.47	0.87	1.27
Total Property, Plant and Equipment	95,850.86	1,299.68	234.62	96,915.92	3,200.42	6,189.22	1.88	9,387.76	87,528.15	92,650.44
Capital Work In Progress									11,415.09	10,762.47

* Depreciation amounting to Nil (31 March 2020: ₹ 33.78 Lacs) has been capitalised during the year.

(i) Contractual Obligations

Refer Note 28 for disclosure of contractual commitments for the acquisition/construction of property, plant and equipment.

(ii) Borrowing costs capitalisation

As per Indian Accounting Standard 23 "Borrowing Costs", the Company has capitalised borrowing costs amounting to ₹ Nil Lacs during 2020-21 (2019-20 ₹ 2,183.46 Lac). The borrowing cost is capitalized at rate(s) applicable to specific loan(s) used for specific project. The weighted average rate of borrowings used for projects is Nil for FY 2020-21 [2019-20 - 8.74%].

(iii) The above includes the right of use asset recognised udner Ind AS 116 Leases:

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	Cost As on 1-Apr-19	Additions/ Adjustments during the year	Deduction/ Adjustments during the year	Balance As on 31-Mar-20	Balance As on 1-Apr-19	Additions during the year	Deduction during the year	Balance As on 31-Mar-20	As on 31-Mar-20	As on 31-Mar-19
Land	2.77	95.98	-	98.75	0.32	1.67	-	1.99	96.76	-
Building	-	152.94	-	152.94	-	47.06	-	47.06	105.88	-
Plant & equipment	-	5,648.25	-	5,648.25	-	1,201.73	-	1,201.73	4,446.52	-
Total	2.77	5,897.17	-	5,899.94	0.32	1,250.46	-	1,250.78	4,649.16	-

Particulars	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	Cost As on 1-Apr-20	Additions/ Adjustments during the year	Deduction/ Adjustments during the year	Balance As on 31-Mar-21	Balance As on 1-Apr-20	Additions during the year	Deduction during the year	Balance As on 31-Mar-21	As on 31-Mar-21	As on 31-Mar-20
Land	98.75	4.55	-	103.30	1.99	3.34	-	5.33	97.97	96.76
Building	152.94	-	44.29	108.65	47.06	39.75	-	86.81	21.84	105.88
Plant & equipment	5,648.25	-	187.95	5,460.30	1,201.73	2,431.45	-	3,633.18	1,827.12	4,446.52
Total	5,899.94	4.55	232.23	5,672.26	1,250.78	2,474.54	-	3,725.32	1,946.94	4,649.16

Refer Note 26 for transition to Ind AS 116 Leases.

4 INTANGIBLE ASSETS

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Computer Software		
Cost or deemed cost		
Balance at the beginning of the Year	59.46	39.21
Add: Addition during the Year	-	20.25
Closing Gross Carrying Amount	**59.46**	**59.46**
Accumulated Amortisation		
Balance at the beginning of the Year	36.88	29.27
Add: Addition during the Year	9.03	7.61
Closing Accumulated Amortisation	**45.91**	**36.88**
Net Carrying Amount	**13.55**	**22.58**

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Right of Use / Right of Way*		
Cost or deemed cost		
Balance at the beginning of the Year	7,877.46	7,176.35
Add: Addition during the Year	47.17	701.11
Closing Gross Carrying Amount	**7,924.63**	**7,877.46**
Accumulated Amortisation		
Balance at the beginning of the Year	41.16	-
Add: Addition during the Year	88.61	41.16
Closing Accumulated Amortisation	**129.76**	**41.16**
Net Carrying Amount	**7,794.87**	**7,836.30**
Total Net Carrying Amount of Intangible Assets	**7,808.42**	**7,858.88**

(i) Right of Way / Right of Use:

Right of Use (RoU) in land is a right acquired under the law and the Company has unrestricted right of entry for laying, operation and maintenance of the pipeline for indefinite period. Hence, Right of Use has an indefinite life and hence it is not amortised; however, the same is tested for impairment annually. Moreover, Right of Way (ROW) is amortised over 30 years using straight line method starting from the date of commissioning of the respective pipeline once as the same is inextricably linked and dependent on useful life of gas transmission pipeline(s).

*Includes RoU of ₹ 2,797.43 Lacs (31st March 2020: ₹ 2,750.26 Lacs)

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5 LOANS

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-Current		
Security deposit given (Unsecured - considered good)	1,190.23	1,052.40
Loans receivables		
Housing building advance to employees		
Secured, considered good	94.49	97.37
Other loans and advances to employees		
Unsecured, considered good	8.14	9.00
Total Non-Current Loans	**1,292.86**	**1,158.77**
Current		
Security deposit given (Unsecured - considered good)	664.50	797.58
Loans receivables		
Housing building advance to employees		
Secured, considered good	9.01	9.01
Other loans and advances to employees		
Unsecured, considered good	8.20	8.94
Total Current Loans	**681.71**	**815.53**

No loans are credit impaired and there is no significant increase in the credit risk of loans.

6 OTHER FINANCIAL ASSETS

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-Current		
Margin money deposit - bank guarantee / letter of credit	92.43	207.09
Receivable from employees (Unsecured - considered good)	10.42	12.00
Lease equalisation reserve	0.16	-
Total Non-Current Other Financial Assets	**103.01**	**219.09**
Current		
Receivable from employees (Unsecured - considered good)	5.94	5.25
Others (Unsecured - considered good)	272.28	27.76
Total Current Other Financial Assets	**278.22**	**33.01**

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7 OTHER ASSETS

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-Current		
Capital advances	56.14	50.29
Prepaid expenses	8.33	-
Deferred employee cost	33.12	60.40
Advance payment of tax	96.04	145.48
Payment under protest	500.00	-
Total Non-Current Assets	**693.63**	**256.17**
Current		
Balances with Government Authorities	134.94	149.63
Payment under protest	-	500.00
Prepaid expenses	58.86	30.89
Advances to suppliers	2.09	3.02
Deferred employee cost	33.19	44.41
Total Current Assets	**229.08**	**727.95**

8 INVENTORIES*

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Line pack gas	792.47	444.00
Stores & Spares	4.14	3.88
Total Inventories	**796.61**	**447.88**

*For mode of valuation, refer note 2 - Significant accounting policies.

9 TRADE RECEIVABLES

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Receivables - Secured, considered good	87.28	218.00
Receivables - Unsecured, considered good	508.97	-
Total Trade Receivables	**596.25**	**218.00**

10 CASH AND CASH EQUIVAENTS

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Cash and Cash Equivalents		
Balances with banks		
In current accounts	497.03	2,411.55
Fixed deposit with original maturity of less than 3 months	14,828.22	600.15
Cash on hand	0.02	0.02
Total Cash and Cash Equivalents	**15,325.27**	**3,011.72**
Other Bank Balances		
Fixed deposits		
Margin money deposit - bank guarantee	372.61	253.76
With original maturity of less than 12 months	971.22	921.18
Total Bank Balance other than Cash and Cash Equivalents	**1,343.83**	**1,174.94**

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11 EQUITY SHARE CAPITAL

Particulars	Number of Shares	Amount ₹ in Lacs
AUTHORISED SHARE CAPITAL		
Equity shares of ₹ 10/- each		
As at 1 April 2019	2,200,000,000	220,000.00
Increase/(decrease) during the year	-	-
As at 31 March 2020	2,200,000,000	220,000.00
Increase/(decrease) during the year	-	-
As at 31 March 2021	2,200,000,000	220,000.00

Reconciliation of number of shares outstanding

Particulars	Number of Shares	Amount ₹ in Lacs
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
Equity shares of ₹ 10/- each fully paid up		
As at 1 April 2019	381,000,000	38,100.00
Add: New shares allotted during the year	111,000,000	11,100.00
As at 31 March 2020	492,000,000	49,200.00
Add: New shares allotted during the year	90,000,000	9,000.00
As at 31 March 2021	582,000,000	58,200.00

Rights, Preferences, and Restrictions attached to Equity Shares

The Company has only one class of equity shares having a face value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

In the events of liquidation of the Company, the holders of equity shares will be entitled to remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shareholder(s) holding more than 5% equity shares

Particulars	As at 31st March, 2021	As at 31st March, 2020
Number of Equity Shares		
Gujarat State Petronet Limited (including Nominee Shareholders)	302,640,000	255,840,000
Indian Oil Corporation Limited	151,320,000	127,920,000
Bharat Petroleum Corporation Limited	64,020,000	54,120,000
Hindustan Petroleum Corporation Limited	64,020,000	54,120,000
% Holding in Equity Shares		
Gujarat State Petronet Limited (including Nominee Shareholders)	52.00%	52.00%
Indian Oil Corporation Limited	26.00%	26.00%
Bharat Petroleum Corporation Limited	11.00%	11.00%
Hindustan Petroleum Corporation Limited	11.00%	11.00%

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12 OTHER EQUITY

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Retained Earnings	(10,047.58)	(3,551.46)
Total Other Equity	**(10,047.58)**	**(3,551.46)**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Retained Earnings		
Opening balance	(3,551.46)	803.20
Add:		
Profit during the period	(6,509.43)	(4,322.34)
Remeasurement of post employment benefit obligation, net of tax	13.31	(32.32)
Closing balance	**(10,047.58)**	**(3,551.46)**

13 BORROWINGS

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-Current		
Secured		
Term loan from banks	70,387.84	55,113.63
Less:		
Current maturities of borrowings	(1,422.89)	(552.90)
Total Non-Current Borrowings	**68,964.95**	**54,560.73**

Term loan from banks is secured by first pari-passu charge on all Tangible (related to RFCL pipeline) and Intangible assets, Capital Work in Progress except the current assets where the lenders have second pari passu charge.

Maturity Profile and Rate of Interest of Term Loans

(₹ in Lacs)

2020-21				
Terms of repayment & Rate of Interest of Term Loan	**No. of Installments due**	**Maturity**	**Non-current***	**Current***
Quarterly installments (1 Year MCLR + 0.50%)	70	Sep-38	69,122.66	1,425.77

(₹ in Lacs)

2019-20				
Terms of repayment & Rate of Interest of Term Loan	**No. of Installments due**	**Maturity**	**Non-current***	**Current***
Quarterly installments (1 Year MCLR + 0.50%)	72	Sep-38	54,737.54	552.90

*** Represents cash outflows of principal amount outstanding as on the reporting date.**

Reconciliation of movements of liabilities to cash flows arising from financing activities:

(₹ in Lacs)

Particulars	2020-21	2019-20
Opening Balance on Balance Sheet Date	55,113.63	35,915.99
Changes from financing cash flows		
Proceeds from Borrowings	15,970.99	23,719.19
Repayment of borrowings	(713.00)	(4,531.12)
Interest and Finance Charges Paid	(5,301.78)	(4,422.79)
Total Cash Flow from Financing Activities	**9,956.21**	**14,765.28**
Liability related other changes	5,318.00	4,432.37
Closing Balnce on Balance Sheet Date	**70,387.84**	**55,113.63**

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14 TRADE PAYABLE

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Total outstanding dues of micro enterprises and small enterprises	24.74	139.46
Total outstanding dues of creditors other than micro enterprises and small	822.37	8,468.92
Total Trade Payables	**847.11**	**8,608.38**

Information in respect Micro, Small and Medium Enterprises Development Act, 2006. The Company had sought confirmation from the vendors whether they fall in the category of Micro/Small/Medium Enterprises. Based on the information available, the required disclosures are given below:

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Principal amount remaining unpaid at the end of the period	441.27	421.16
Interest due thereon remaining unpaid at the end of the period	-	-
Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
Interest accrued and remaining unpaid at the end of the period	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

15 OTHER FINANCIAL LIABILITIES

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<u>Non-Current</u>		
Lease liability	4.61	2,345.53
Total Non-Current Other Financial Liabilities	**4.61**	**2,345.53**
<u>Current</u>		
Current maturities of non-current borrowings	1,422.89	556.25
Other payables (including for capital goods and services)		
Total outstanding dues of micro enterprises and small enterprises	416.53	281.70
Total outstanding dues of creditors other than micro enterprises and small enterprises	9,368.42	5,970.30
Security deposit from customers	12.00	-
Lease liability	2,488.23	2,358.78
Earnest money deposits	3.35	4.30
Total Current Other Financial Liabilities	**13,711.42**	**9,171.33**

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16 NET EMPLOYEE BENEFIT LIABILITIES

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non-Current		
Provision for gratuity	277.45	276.83
Provision for leave salary	229.24	216.42
Total Non-Current Net Employee Benefit Liabilities	506.69	493.25
Current		
Provision for gratuity	6.54	6.83
Provision for leave travel allowance	10.00	10.80
Provision for leave salary	7.51	7.27
Total Current Net Employee Benefit Liabilities	24.05	24.90

17 INCOME TAX EXPENSE

This note provides an analysis of the Company's income tax expenses, show amounts that are directly recognised in equity and how the tax expense is affected by non-assessable and non-deductible items It also explains significant estimates made in relation to the Company's tax positions

(₹ In Lacs)

Particulars	2020-21	2019-20
Tax Expenses		
Current tax	-	-
Deferred tax	(2,666.18)	(1,870.62)
Total Tax Expenses	(2,666.18)	(1,870.62)

Deferred tax assets (net) relates to the following:

(₹ In Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred Tax Liabilities		
Property, plant and equipment, right of use asset and Intangible Assets	23,538.93	24,561.62
Financial liabilities measured at amortised cost	48.71	51.49
Others	0.05	-
Total Deferred Tax Liabilities (A)	23,587.69	24,613.11
Deferred Tax Assets		
Preliminary expenditure u/s 35AD	0.63	0.83
Provisions for employee benefits	151.64	130.91
Financial liabilities measured at amortised cost	41.89	44.23
Unabsorbed depreciation and losses	27,955.21	26,338.11
Other expenses - not eligible for capitalisation under Ind AS 16	8.87	8.87
Total Deferred Tax Assets (B)	28,158.24	26,522.95
Net Deferred Tax Assets (B-A)	4,570.55	1,909.84

(i) Movements In Deferred Tax Assets/(Liabilities)

(₹ In Lacs)

Particulars	Other expenses - not eligible for capitalisation under Ind AS 16	Preliminary expenditure u/s 35AD	Property, plant and equipment	Financial liabilities measured at amortised cost	Provisions for employee benefits	Unabsorbed depreciation and losses	Others	Total
At 1 April 2019	24.25	1.69	-	-	-	-	-	25.94
Charged/(credited)								
- to profit or loss	(15.38)	(0.86)	(24,561.62)	(7.26)	117.63	26,338.11	-	1,870.62
- to other comprehensive income	-	-	-	-	13.28	-	-	13.28
At 31 March 2020	8.87	0.83	(24,561.62)	(7.26)	130.91	26,338.11	-	1,909.84
Charged/(credited)								
- to profit or loss	-	(0.20)	1,022.69	0.44	26.20	1,617.10	(0.05)	2,666.18
- to other comprehensive income	-	-	-	-	(5.47)	-	-	(5.47)
At 31 March 2021	8.87	0.63	(23,538.93)	(6.82)	151.64	27,955.21	26,338.11	4,570.55

(ii) Based on the principles of Ind AS 12 Income Taxes, the Company has recognized deferred tax assets on current year business loss, unabsorbed depreciation & deduction under section 35AD calculated as per the provisions of the Income Tax Act, 1961. The management believes that the deferred tax assets will be recoverable, on the basis of estimated future taxable income based on budgets and business plan. Further, as per the Income tax Act, 1961, unabsorbed depreciation & deduction under section 35AD can be carried for indefinite period whereas business losses can be carried forward for next 8 succeeding assessment years from the assessment year in which the loss was incurred.

(iii) Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate:

(₹ In Lacs)

Particulars	2020-21	2019-20
Accounting Profit before Income tax expenses	(9,175.61)	(6,192.96)
Tax at the Indian tax rate of 29.120% (2019-20 - 29.120%)	(2,671.94)	(1,803.39)
Change in tax rate	-	(1.21)
Others	5.76	(66.02)
Income Tax Expenses at the effective income tax rate of 29.057% (2019-20: 30.206%)	(2,666.18)	(1,870.62)

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18 OTHER LIABILITIES

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current		
Revenue received in advance	302.12	-
Other Statutory Liability	149.30	392.03
Total Current Liabilities	**451.42**	**392.03**

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19 REVENUE FROM OPERATIONS

(₹ in Lacs)

Particulars	2020-21	2019-20
Revenue from contracts with customers		
Revenue from Transportation of Gas (net)	1,209.10	0.25
Other Operating Revenues	2,731.81	1,241.94
Total Revenue from Operations	**3,940.91**	**1,242.19**

Revenue from transportation of gas is recognised at an amount invoiced to the customers in the period in which the services are rendered. Normally, the Company receives payment within 10 to 30 days.

20 OTHER INCOME

(₹ in Lacs)

Particulars	2020-21	2019-20
Interest income		
Fixed Deposits with Banks	34.00	141.71
Fixed Deposits with Financial Institutions	487.71	109.02
Interest Income - House Building Advance	6.13	7.38
Other interest income	11.67	0.76
Others	44.94	22.14
Total Other Income	**584.45**	**281.01**

21 EMPLOYEE BENEFIT EXPENSES

(₹ in Lacs)

Particulars	2020-21	2019-20
Salaries and wages		
Salaries and Allowances	1,032.82	551.62
Leave Salary	38.10	40.23
Contribution to provident and other funds	107.90	92.94
Staff Welfare Expenses	11.04	22.28
Total Employee benefit expenses	**1,189.86**	**707.07**

22 FINANCE COST

(₹ in Lacs)

Particulars	2020-21	2019-20
Interest on borrowings	5,294.77	2,240.78
Unwinding of transaction cost incurred on borrowing	9.54	4.42
Interest on lease liabilties	296.18	191.53
Other borrowing costs (includes bank charges etc.) (i)	10.33	1,235.58
Total Finance cost	**5,610.82**	**3,672.31**

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(i) For the sanction of Rupee Loan Facility Agreement amounting to ₹ 5,080 crore, the Company paid transaction costs in earlier years. However, the Company does not expect to draw any amount from the said facility and hence, such transaction costs pending for amortisation is expensed out as other borrowing costs in the previous year.

23 DEPRECIATION AND AMORTISATION EXPENSES (₹ in Lacs)

Particulars	2020-21	2019-20
Depreciation for property, plant and equipment	3,714.68	1,772.49
Amortisation of right-of-use asset	2,474.54	1,226.88
Amortisation for intangible assets	97.64	45.18
Total Depreciation and amortisation expenses	**6,286.86**	**3,044.55**

24 OTHER EXPENSES (₹ in Lacs)

Particulars		2020-21	2019-20
Operation & Maintenance Expenses			
Maintenance contracts		4.24	9.46
Consumption of stores & spare parts		2.45	-
Payment to Outsourced Persons		66.97	8.68
Power & Fuel		55.08	7.04
Security Service Charges		113.46	46.33
Repairs & Maintenance - Machinery		2.38	0.02
Vehicle Hiring, Operating & Maintenance Exps		113.09	85.17
Other O&M expenses		5.70	0.67
	(A)	**363.37**	**157.37**
Other Office & Administrative Expenses			
Advertisement & publicity expenses		14.98	8.90
Bandwidth & website maintenance charges		4.78	0.78
Business promotion		1.78	-
HSE expenses		2.15	1.90
House Keeping Expenses		11.23	
Insurance expenses		84.24	2.35
Legal & Professional Expenses		52.13	42.00
Postage, telephone & courier expenses		2.53	1.25
Rates & Taxes		0.65	0.17
Recruitment & training		0.15	3.28
Rent		-	12.66
Seminar & conference		0.03	0.09
Stationery & printing		4.49	0.40
Statutory Audit Fees		1.51	1.51
Travelling Expenses - Others		4.46	25.21
Utility Charges		46.64	19.96
Other administrative exp.		18.31	14.40
	(B)	**250.06**	**134.86**
Total Other Expenses (A+B)		**613.43**	**292.23**

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25 EARNING PER SHARE

(₹ in Lacs)

Particulars	2020-21	2019-20
Profit attributable to equity holders for (₹ in Lacs):		
Basic earnings	(6,509.43)	(4,322.34)
Adjusted for the effect of dilution	(6,509.43)	(4,322.34)
Weighted average number of Equity Shares for:		
Basic EPS	512,947,945	435,838,356
Adjusted for the effect of dilution	512,947,945	435,838,356
Earnings Per Share (₹):		
Basic	(1.27)	(0.99)
Diluted	(1.27)	(0.99)

26 Leases

Ind AS 116 Leases

On 30 March 2019, the Ministry of Corporate Affairs ("MCA") through the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases and other interpretations.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

Effective from 1 April 2019 ('the date of transition'), the Company applied Ind AS 116 using the modified retrospective approach, under which the right of use asset is measured at an amount equal to lease liability adjusted for prepaid or accrued rentals. Accordingly, there is no impact on retained earnings as on 1 April 2019.

On transition to Ind AS 116, the Company elected to apply the practical expedient to grandfather the assessment of which transactions are leases. The Company applied Ind AS 116 only to contracts that were previously identified as leases under Ind AS 17. Therefore, the definition of a lease under Ind AS 116 was applied only to contracts entered into or changed on or after 1 April 2019.

The Company as a lessee

As a lessee, the Company leases land, building and guest houses. The Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. Under Ind AS 116, the Company recognises right-of-use assets and lease liabilities for most of these leases.

On transition, for leases classified as operating leases under Ind AS 17, the lease liabilities are measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rate as at 1 April 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments. The Company has tested its right-of-use assets for impairment on the date of transition and has concluded that there is no indication that the right-of-use assets are impaired.

The Company used a number of practical expedients when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17. In particular, the Company:

- applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- relied on previous assessments on whether leases are onerous as an alternative to performing an impairment review – there were no onerous contracts as at 1 April 2019
- did not recognise right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application;
- excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- used hindsight when determining the lease term.

The weighted average incremental borrowing rate of 8.75% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

On transition, for leases that are classified as finance lease under Ind AS 17, the carrying amount of the right-of-use asset and the lease liability at the date of transition to Ind AS 116 is the carrying amount of the lease asset and lease liability on the transition date as measured applying Ind AS 17.

The Company as a lessor

The Company is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor, except for a sub - lease. The Company accounted for its leases in accordance with Ind AS 116 from the date of initial application.

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Disclosures under Ind AS 116 Leases:

The Company as lessee:

Nature of the lease transaction:

The Company has taken office building and various guest houses on lease with the lease term of 36 months and 11 months respectively. Further, the Company has taken various parcels of land on lease with lease term of 99 years (which were accounted as finance lease under Ind AS 17). Some lease contract can be renewed with mutual consent and some lease contract also contains the termination options. In certain contacts, the Company is restricted from assigning and subletting the leased assets. For leases of guest hosues, the Company has elected to apply exemption for short term leases and accordingly, right of use assets and lease liabilites for these contracts are not recognised.

Movements in Lease Liabilities: (₹ in Lacs)

Particulars	2020-21	2019-20
Opening balance	4,704.31	-
Additions during the year	-	5,656.97
Add: Interest Expenses	296.18	197.49
Add: Adjustment due to lease modification	(236.20)	144.22
Less: Payments	(2,271.45)	(1,294.37)
Closing balance	**2,492.84**	**4,704.31**
Non-Current	4.61	2,345.53
Current	2,488.23	2,358.78

Amounts recognised during the period: (₹ in Lacs)

Particulars	2020-21	2019-20
Expenses relating to short-term leases	-	20.72
Amortization expenses	2,474.54	1,226.88

Amounts recognised in statement of cash flows: (₹ in Lacs)

Particulars	2020-21	2019-20
Classified under operating activities		
Short Term Leases	-	20.72
Classified under financing activities		
Repayment - Principal of lease liabilities	1,975.27	1,096.88
Payment of interest on lease liabilities	296.18	197.49

Maturity Analysis of lease liabilities: (₹ in Lacs)

Particulars	2020-21	2019-20
Less than one year	2,552.20	2,489.69
More than one year	4.99	2,575.82
Total	**2,557.19**	**5,065.51**

B. The Company as lessor:

The Company has given certain portions of land on lease with the lease term ranging from 2 to 5 years. In some cases, the rentals are subject to escalation every year. The same is accounted as operating lease under Ind AS 116 Leases.

Amounts recognised in profit or loss (₹ in Lacs)

Particulars	2020-21	2019-20
Rental income	39.81	20.10

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

(₹ in Lacs)

Particulars	2020-21	2019-20
Less than one year	35.29	35.00
One to two years	3.98	31.50
Two to three years	4.18	-
Three to four years	4.39	-

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27 CONTINGENT LIABILITIES (₹ in Lacs)

Sr No	Particulars	As at 31[st] March, 2021	As at 31[st] March, 2020
A	Claims against company not acknowledged as debts		
	PNGRB has encashed the Performance Bank Guarantee amounting to ₹ 500 Lacs. The Company has challenged the matter and the same is sub-judice before APTEL. Accordingly, payment of ₹ 500 Lacs has been disclosed as "Payment Under Protest".	500.00	500.00
	PNGRB has issued order to initiate the proceeding against the Company for reducing pipeline capacity as compared to its authorised capacity. The matter is sub-judice.	2,600.00	2,600.00
B	Guarantees excluding financial guarantees		
	Outstanding Bank Guarantees	1,993.47	1,997.12

28 COMMITMENTS (₹ in Lacs)

Sr No	Particulars	As at 31st March, 2021	As at 31st March, 2020
A	Capital Commitments		
	Estimated amount of contracts remaining to be executed on capital account and not provided for	2,305.35	9,690.16
B	Other Commitments	-	-

29 PAYMENT TO AUDITORS (₹ in Lacs)

Particulars	2020-21	2019-20
For statutory audit	1.51	1.51
For other services	0.25	0.10
For reimbursement of expenses	0.08	0.15
Total	1.84	1.76

30 In the opinion of management, any of the assets other than items of Property, Plant and Equipment and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

31 The balances of trade receivables, trade payables, loans & advances and deposits are subject to confirmation. Provision for all liabilities is adequate in opinion of the Company.

32 Disclosures under Ind AS 115 Revenue from Contracts with Customers

The following table provides information about receivables, contract assets and contract liabilities from contract with

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unbilled revenue - Other Financial Assets (Contract Assets)	253.50	-
Trade receivables	596.25	218.00
Revenue received in advance - Other Non-Financial Liability (Income recognised during the year out of opening balance ₹ NIL Lacs (PY: ₹ NIL Lacs))	300.00	-

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied. Performance Obligation for Gas Transmission is to transmit Natural Gas as per the contractual arrangment with the customer. Connection charges from customers are deferred over the period when the performance obligation is satisfied.

33 DISCLOSURES FOR EMPLOYEE BENEFITS AS PER INDIAN ACCOUNTING STANDARD - 19

Defined Contribution Plan:

Provident fund and superannuation fund benefits charged to Statement of Profit and Loss during the period are ₹ 46.06 Lacs and ₹ 21.06 Lacs respectively (PY: ₹ 25.99 Lacs and ₹ 14.53 Lacs respectively).

Defined Benefit Plans:

Assumptions used for valuation: In arriving at the valuation for gratuity & leave encashment following assumptions were used:

Particulars	2020-21		2019-20	
	Gratuity	Leave Salary	Gratuity	Leave Salary
Type	Unfunded	Unfunded	Unfunded	Unfunded
Mortality	Indian Assured Lives Mortality (2012-14) Ult.		Indian Assured Lives Mortality (2012-14) Ult.	
Withdrawal rate	5% at younger age reducing to 1% at old age		5% at younger age reducing to 1% at old age	
Retirement Age	60 years		60 years	
Discount Rate Current Period	6.85%	6.85%	6.90%	6.90%
Salary Growth Rate	7.00%	7.00%	7.00%	7.00%

The following table sets out status of gratuity plan and leave salary as required under Indian Accounting Standard 19 on "Employee Benefit".

(₹ in Lacs)

Particulars	2020-21		2019-20	
	Gratuity	Leave Salary	Gratuity	Leave Salary
Table showing change in benefit obligation				
Opening defined benefit obligation	283.65	223.70	164.71	169.70
Interest Cost	7.18	15.21	8.01	12.65
Transfer in obligations	(21.92)	(24.19)	(0.05)	23.88
Current Service Cost	38.63	17.65	32.10	15.19
Benefit Paid	(4.77)	(0.20)	(19.60)	(18.63)
Actuarial Loss / (gain) on Obligations	(18.78)	4.58	98.48	20.91
Liability at the end of the period	**283.99**	**236.75**	**283.65**	**223.70**
Table showing change in Fair Value of Plan Assets				
Fair Value of Plan Assets at the beginning	-	-	-	-
Adjustment to Opening fund	-	-	-	
Expected Return on Plan Assets	-	-	-	-
Contributions	-	-	-	-
Benefit Paid	-	-	-	-
Actuarial gain /(loss) on Plan Assets	-	-	-	-
Fair Value of Plan Assets at the end of the period	-	-	-	-

(₹ in Lacs)

Particulars	2020-21		2019-20	
	Gratuity	Leave Salary	Gratuity	Leave Salary
Actual Gain / loss recognized				
Actuarial (gain) / loss on obligations				
Due to Change in financial assumptions	2.05	1.59	27.54	20.74
Due to change in demographic assumption	-	-	(0.02)	(0.05)
Due to change in experience adjustment	(20.83)	2.98	70.96	0.22
Actuarial (gain) / loss on Plan Assets	-	-	-	-
Net Actuarial (gain) / loss recognized	**(18.78)**	**4.57**	**98.48**	**20.91**

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Amount recognized in Balance Sheet				
Liability at the end of the period	283.99	236.75	283.65	223.70
Fair Value of Plan Asset at the end of the period	-	-	-	-
Net Amount recognized in Balance Sheet	**283.99**	**236.75**	**283.65**	**223.70**
Expense recognized				
Current Service cost	38.63	17.65	32.10	15.19
Interest cost (Net)	7.18	15.21	8.01	12.65
Value of remeasurements	(18.78)	4.58	-	20.91
Net Expense recognized	**27.03**	**37.44**	**40.11**	**48.75**
Current liability	6.54	7.51	6.83	7.27
Non-current liability	277.45	229.24	276.83	216.42
Total liability	**283.99**	**236.75**	**283.66**	**223.69**

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Expected cashflows based on past service liability

The expected cashflows during the next financial year based on past service liability are as under:

1. For gratuity - ₹ 6.54 lacs (P.Y. ₹ 6.83 lacs)
2. For leave salary - ₹ 7.51 lacs (P.Y. ₹ 7.27 lacs)

The Average Outstanding Term of the Gratuity Obligations (Years) as at valuation date is 14.87 years (P.Y.: 15.21 Years).

(₹ in Lacs)

Sensitivity analysis - Gratuity	2020-21		2019-20	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	264.34	305.70	263.59	305.87
Withdrawal rate (10% movements)	283.10	284.90	282.71	284.62
Salary growth rate (0.5% movement)	305.56	264.28	305.74	263.52

Sensitivity analysis - Leave Salary	2020-21		2019-20	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	221.43	253.64	208.59	240.40
Withdrawal rate (10% movements)	236.62	236.87	223.59	223.79
Salary growth rate (0.5% movement)	253.53	221.38	240.30	208.53

A description of methods used for sensitivity analysis and its Limitations:

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters.Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

34 SEGMENT INFORMATION

The Company primarily operates in the single segment of natural gas transportation business, which involves transportation of natural gas from sources of supply to end customers. The Board of Directors of the Company allocate the resources and assess the performance of the Company, thus are the Chief Operating Decision Maker (CODM). The CODM monitors the results of the business as a once, hence no separate segment needs to be disclosed. All the customers are located within India. Hence, the management believes that geographical distribution of revenue will not be applicable.

Revenues of ₹ 3940.91 Lacs (2019-20 ₹ 1242.19) are derived from single major customer (accounting for 10% or more of the Company's revenue individually).

35 RELATED PARTY DISCLOSURES

GSPL India Transco Limited is a joint venture between Gujarat State Petronet Limited (GSPL), Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL). The shareholding pattern is GSPL (52%), IOCL (26%), BPCL (11%) and HPCL (11%).

(i) Transactions* with related parties during the year as per Indian Accounting Standard - 24 on "Related Party Disclosures" are as follows:

(₹ in Lacs)

Name of Related Party & Nature of Transactions	2020-21	2019-20
Gujarat State Petronet Ltd. (entity with joint control of the Company)		
Expenditure Reimbursement Paid	250.37	205.36
Expenditure Reimbursement Received	43.77	24.20
Purchase of Assets	-	-
Transfer of Assets	2.67	0.96
Transfer of Liabilities	-	9.16
Investment in Equity Shares by GSPL	4,680.00	5,772.00
Acquisition of Right of Use Asset (Building)	-	152.94
Interest paid on lease liabilities	7.23	11.02
Payment of lease liabilities	46.98	532.43
Indian Oil Corporation Ltd. (entity with joint control of the Company)		
Expenditure Reimbursement Paid	73.22	75.58
Sitting Fees#	0.75	0.53
Investment in Equity Shares by IOCL	2,340.00	2,886.00
Bharat Petroleum Corporation Ltd. (entity with joint control of the Company)		
Sitting Fees#	0.30	0.15
Investment in Equity Shares by BPCL	990.00	1,221.00
Hindustan Petroleum Corporation Ltd. (entity with joint control of the Company)		
Investment in equity shares by HPCL	990.00	1,221.00
Gujarat State Petroleum Corporation Ltd. (Other related parties)		
Expenditure Reimbursement Paid	54.30	64.80
Expenditure Reimbursement Received	-	0.12
Purchase of line pack gas	348.47	-
Transfer of Liabilities	-	12.97
Purchase of Assets	0.09	1.67
GSPL India Gasnet Limietd		
Expenditure Reimbursement Paid	0.09	-
Expenditure Reimbursement Received	184.87	65.82
Transfer of Liabilities	-	3.84
Transfer of Assets	-	1.41

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Gujarat Gas Limited		
Expenditure Reimbursement Paid	56.90	12.47
Expenditure Reimbursement Received	4.26	-
GSPC Pipavav Power Company Ltd. (other related parties)		
Expenditure Reimbursement Paid	3.93	19.70
GSPC Energy Limited (other related parties)		
Purchase of line pack gas	-	508.38
Key Managerial Personnel		
Chief Financial Officer		
Short Term Employee Benefit @	57.45	53.08
Post retirement benefit	10.54	9.79
Other long term employee benefit	5.23	13.61
Company Secretary		
Short Term Employee Benefit - Salary to Company Secretary	24.62	22.75
Post retirement benefit	5.26	7.82
Other long term employee benefit	1.31	2.00
Directors		
Out Of Pocket Expenses#	0.48	0.28
Sitting Fees#	1.80	1.05

* The above related party transactions are inclusive of all taxes, wherever applicable, and are made on terms equivalent to those that prevail in arm's length transactions. All outstanding balances are unsecured.

@ M/s. IOCL has nominated Shri Pravin Amin - CFO as per Articles of Association. The Company has reimbursed salary and perquisites including GST thereon to IOCL.

Sitting Fees is exclusive of service tax/ GST paid under reverse charge mechanism, wherever applicable.

(ii) Details of Outstanding Balance with Related Parties:

(₹ in Lacs)

Name of Related Party	31-Mar-21	31-Mar-20
Gujarat State Petronet Ltd. (entity with joint control of the Company)		
Account Receivable	4.63	3.36
Account Payable	18.83	35.04
Lease liabilities	23.90	111.53
Indian Oil Corporation Ltd. (entity with joint control of the Company)		
Account Receivable	14.59	14.59
Account Payable	15.22	17.30
Hindustan Petroleum Corporation Ltd. (entity with joint control of the Company)		
Account Receivable	2.00	2.00
Gujarat State Petroleum Corporation Ltd. (Other related parties)		
Account Payable	14.13	24.46
GSPL India Gasnet Limited		
Account Receivable	14.00	24.40
Account Payable	-	0.72
Gujarat Gas Limited		
Account Payable	-	11.41
GSPC Pipavav Power Company Ltd. (other related parties)		
Account Payable	1.29	3.04

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36 FINANCIAL INSTRUMENTS FAIR VALUE AND RISK MEASUREMENTS

A. Financial instruments by category and their fair value

(₹ in Lacs)

As at 31 March 2021	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Loan								
- Non-current	-	-	1,292.86	1,292.86	-	-	-	-
- Current	-	-	681.71	681.71	-	-	-	-
Cash and Cash Equivalents	-	-	15,325.27	15,325.27	-	-	-	-
Other Bank Balances	-	-	1,343.83	1,343.83	-	-	-	-
Other financial assets								
- Non-current	-	-	103.01	103.01	-	-	-	-
- Current	-	-	278.22	278.22	-	-	-	-
Total financial assets	-	-	19,024.90	19,024.90	-	-	-	-
Financial liabilities								
Borrowings								
- Non-current	-	-	68,964.95	68,964.95	-	-	-	-
Other financial liabilities								
- Non-current	-	-	4.61	4.61	-	-	-	-
- Current	-	-	13,711.42	13,711.42	-	-	-	-
Trade Payables	-	-	847.11	847.11	-	-	-	-
Total financial liabilities	-	-	83,528.09	83,528.09	-	-	-	-

(₹ in Lacs)

As at 31 March 2020	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Financial assets								
Loan								
- Non-current	-	-	1,158.77	1,158.77	-	-	-	-
- Current	-	-	815.53	815.53	-	-	-	-
Cash and Cash Equivalents	-	-	3,011.72	3,011.72	-	-	-	-
Other Bank Balances	-	-	1,174.94	1,174.94	-	-	-	-
Other financial assets								
- Non-current	-	-	219.09	219.09	-	-	-	-
- Current	-	-	33.01	33.01	-	-	-	-
Total financial assets	-	-	6,413.06	6,413.06	-	-	-	-
Financial liabilities								
Borrowings								
- Non-current	-	-	54,560.73	54,560.73	-	-	-	-
Other financial liabilities								
- Non-current	-	-	2,345.53	2,345.53	-	-	-	-
- Current	-	-	9,171.33	9,171.33	-	-	-	-
Trade Payables	-	-	8,608.38	8,608.38	-	-	-	-
Total financial liabilities	-	-	74,685.97	74,685.97	-	-	-	-

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Fair value of the financial assets and financial liabilities measured at amortised cost is not materially different from the amortised cost. Further, impact of time value of money is not significant for the financial instruments classified as current. Accordingly, the fair value has not been disclosed separately.

Types of inputs are:
Level I - Quoted prices in active markets for identical assets such as quoted price for an equity security on Security Exchanges

Level II - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level III - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

B. Financial risk management
The Company's activities expose it to variety of financial risks such as credit risk, liquidity risk, and market risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

(I) Credit risk
Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.
Trade receivables

The Company's exposure to credit Risk is the exposure that Company has on account of services rendered to a contractual counterparty or counterparties, whether with collateral or otherwise for which the contracted consideration is yet to be received. The Company's customer base is Industrial. The Company provides for allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix.

Age of Receivables (₹ In Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Not Due	596.25	218.00
0-3 Months	-	-
3-6 Months	-	-
6-12 Months	-	-
More than 1 Year	-	-

Currently, the Company's trade receivables include single cutomer which is a Government Organisation and hence, there is no credit risk percieved.
Other financial assets includes loan to employees, security deposits, cash and cash equivalents, other bank balance, advances to employees etc.
• Cash and cash equivalents and Bank deposits are placed with banks/financial institution having good reputation and past track record with adequate credit rating.
• Company has given security deposit to various government authorities (like Municipal corporation, Nagarpalika, Grampanchayat, Road & building division and Irrigation department -of Government of Gujarat, credit worthy companies etc.) for the permission related to work of executing / laying pipeline network in their premises / jurisdiction. Being government authorities, the Company does not have exposure to any credit risk.
• Loan and advances to employees (for housing advances) are secured in nature and hence the Company does not have exposure to any credit risk.

(II) Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's principal sources of liquidity are cash and cash equivalents. Further, the Company had access to undrawn borrowing facilities at the end of the reporting period amounting to ₹ NIL crores (Expiring within one year) (PY: 160 Crore).

Exposure to liquidity risk
The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.
(₹ In Lacs)

31-Mar-21		Contractual cash flows		
	Carrying amount	Total	Less than 12 months	More than 12 months
Non-derivative financial liabilities				
Non-Current Borrowings	68,964.95	69,122.66	-	69,122.66
Other Financial Liabilities				
Non-current	4.61	4.99	-	4.99
Currrent	13,711.42	13,768.72	13,768.72	-
Trade Payables	847.11	847.11	847.11	
Total	83,528.09	83,743.48	14,615.83	69,128

31-Mar-20		Contractual cash flows		
	Carrying amount	Total	Less than 12 months	More than 12 months
Non-derivative financial liabilities				
Non-Current Borrowings	54,560.73	54,737.54	-	54,737.54
Other Financial Liabilities				
Non-current	2,345.53	2,575.82	-	2,575.82
Currrent	9,171.33	9,302.24	9,302.24	-
Trade Payables	8,608.38	8,608.38	8,608.38	
Total	74,685.97	75,223.98	17,910.62	57,313

(III) Market risk
Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

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Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates. The Company's portfolio of borrowings comprise of a mix of fixed rate and floating rate loans which are monitored continuously in the light of market conditions.

		(₹ in Lacs)
Variable-rate instruments	31-Mar-21	31-Mar-20
Borrowings	70,387.84	55,113.63
Total	70,387.84	55,113.63

Sensitivity analysis

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. Since no interest rate exposure is perceived on fixed rate loans, the same have been excluded from the sensitivity analysis. A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased (decreased) Equity and Profit or Loss by the amount shown below:

(₹ in Lacs)

Particulars	Profit or (Loss)		Equity (net of tax)	
	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease
31st March 2021				
Non current - Borrowings	(351.94)	351.94	(249.45)	249.45
Total	(351.94)	351.94	(249.45)	249.45
31st March 2020				
Non current - Borrowings	(275.57)	275.57	(195.32)	195.32
Total	(275.57)	275.57	(195.32)	195.32

The functional currency of the Company is Indian Rupees. The Company do not have derivative financial instruments.

37 CAPITAL MANAGEMENT

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Company defines capital as total equity including issued equity capital and all other equity reserves attributable to equity holders of the Company (which is the Company's net asset value). The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under leases, less cash and bank balances. Equity comprises all components of equity.

The Company's adjusted net debt to equity ratio was as follows.

Particulars	(₹ in Lacs)	
	As at March 31, 2021	As at March 31, 2020
Total liabilities	72,880.68	59,817.94
Less : Cash and bank balances	16,669.10	4,186.66
Adjusted net debt	56,211.58	55,631.28
Borrowings	70,387.84	55,113.63
Total equity	48,152.42	45,648.54
Adjusted net debt to equity ratio	1.17	1.22
Debt equity considering only borrowings as debt	1.46	1.21

38 Due to outbreak of COVID 19 virus globally and in India, the Company's management has made initial assessment of impact on business and financial risks on account of COVID 19. Considering that the Company is in the business of gas transmission which is considered to be essential services, the management believes that the impact of this outbreak on the business and financial position of the Company will not be significant as at the date of approval of these financial statements. The management does not see any risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

39 (i) The Petroleum and Natural Gas Regulatory Board (PNGRB) has authorized the Company to lay 42" diameter pipeline for MBBVPL Project. Accordingly, pursuant to Gas Transmission Agreement executed with RFCL, the Company has laid down the initial section of 365 KMs pipeline with reduced 18" diameter (as a part of MBBVPL Project) from RGTIL intersection point to RFCL Plant, Ramagundam, Telangana. The said pipeline is successfully commissioned on 14th October 2019 and gas transmission is started on 1st November 2019. Further, the transmission services to RFCL through commissioned pipelines are provided at the PNGRB approved tariff for MBBVPL Project.

39 (ii) PNGRB vide its Order dated 21.06.2019 has granted initial time extension for completion of Mallavaram-Bhopal-Bhilwara-Vijaypur natural gas pipeline (MBBVPL) project till March 2020, subject to quarterly reviews of the project and achievement of certain parameters with the condition that if the progress will not be achieved as per the implementation schedule till March 2020, then the Company would not be given further time extension and the process would be initiated to levy penalty and/or terminate the authorization entirely or partially. The Company is not able to achieve these conditions for balance phase till 31.03.2021. In view of that and the facts stated herein above in para (i) the Board vide its order dated 19.03.2020 stated that it will be initiating the proceedings under section 28 and/or Chapter IX of PNGRB Act, 2006 and Board reserves right to take action against GITL. The Company has disclosed the same under the section of contingent liability.

The Company has made representations to MoPNG, PNGRB for financial/ non-financial support for implementation of balance section of the MBBVPL Project and decisions on the same are awaited. The management is making all sincere efforts to implement the balance section of the Project looking into the growing gas transportation business in India due to increased demand and favorable gas prices. Additionally, PNGRB has also not taken any decision regarding penalty/ termination for balance section of MBBVPL project as on the balance sheet date. Being a public sector unit, GITL is hoping positive view from PNGRB Accordingly, at reporting date, does not foresee any indication of impairment for capital work in progress/intangible assets recognised for balance section of the MBBVPL project i.e. ₹ 12,794.60 Lacs (PY ₹ 12,375.14 Lacs) and hence not impaired

39 (iii) Natural Gas Pipeline Tariff is subject to various Regulations issued by Petroleum and Natural Gas Regulatory Board (PNGRB) from time to time. Revenue from gas transportation tariff is recognised as per the tariff discovered through bidding process and approved by Petroleum & Natural Gas Regulatory Board (PNGRB). Further, PNGRB vide its order dated 19th March, 2020 informed that the tariff for partially laid section of MBBVPL will be decided after completion of MBBVPL Project. Accordingly, the impact of the same will be considered based on the outcome of any future orders issued by PNGRB in this regard.

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40 As at the balance sheet date, the Company has reviewed the carrying amounts of its assets and found that there is no indication that those assets have suffered any impairment loss. Hence, no such impairment loss has been provided.

41 Previous year figures have been reclassified or regrouped wherever necessary.

42 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stake holders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

As per our report of even date attached

For and on behalf of the Board of Directors,

For Ashok Chhajed & Associates
Chartered Accountants
Firm Registration No. 100641W

Naresh Bahroo
Partner
Membership No. 117743
Place: Gandhinagar
Date: 02.06.2021

Anil Mukim, IAS
Chairman
DIN: 02842064

Pravin M Amin
Chief Financial Officer

Prakash Karnik
CEO & Director
DIN: 09192224

Nilesh Patel
Company Secretary

Place: Gandhinagar
Date: 02.06.2021

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